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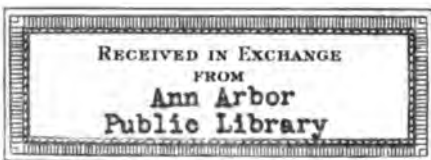
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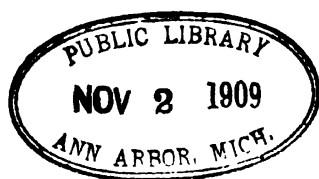
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WAR DEPARTMENT

Annual Report 1909

Volume VII

Report of

THE PHILIPPINE COMMISSION

(IN TWO PARTS)

Part I

Report of

BUREAU OF INSULAR AFFAIRS

PHILIPPINE COMMISSION

GOVERNOR-GENERAL

OF THE SERVICE

AND THE SECRETARY

CITY OF MANILA



U.S. **WAR DEPARTMENT**
Annual Reports, 1908

(IN NINE VOLUMES)

Volume VII

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THE PHILIPPINE COMMISSION

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GOVERNOR-GENERAL--

CIVIL SERVICE

EXECUTIVE SECRETARY

AUDITOR

MUNICIPAL BOARD, CITY OF MANILA



WASHINGTON
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1909

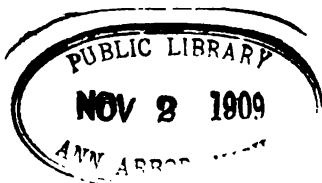


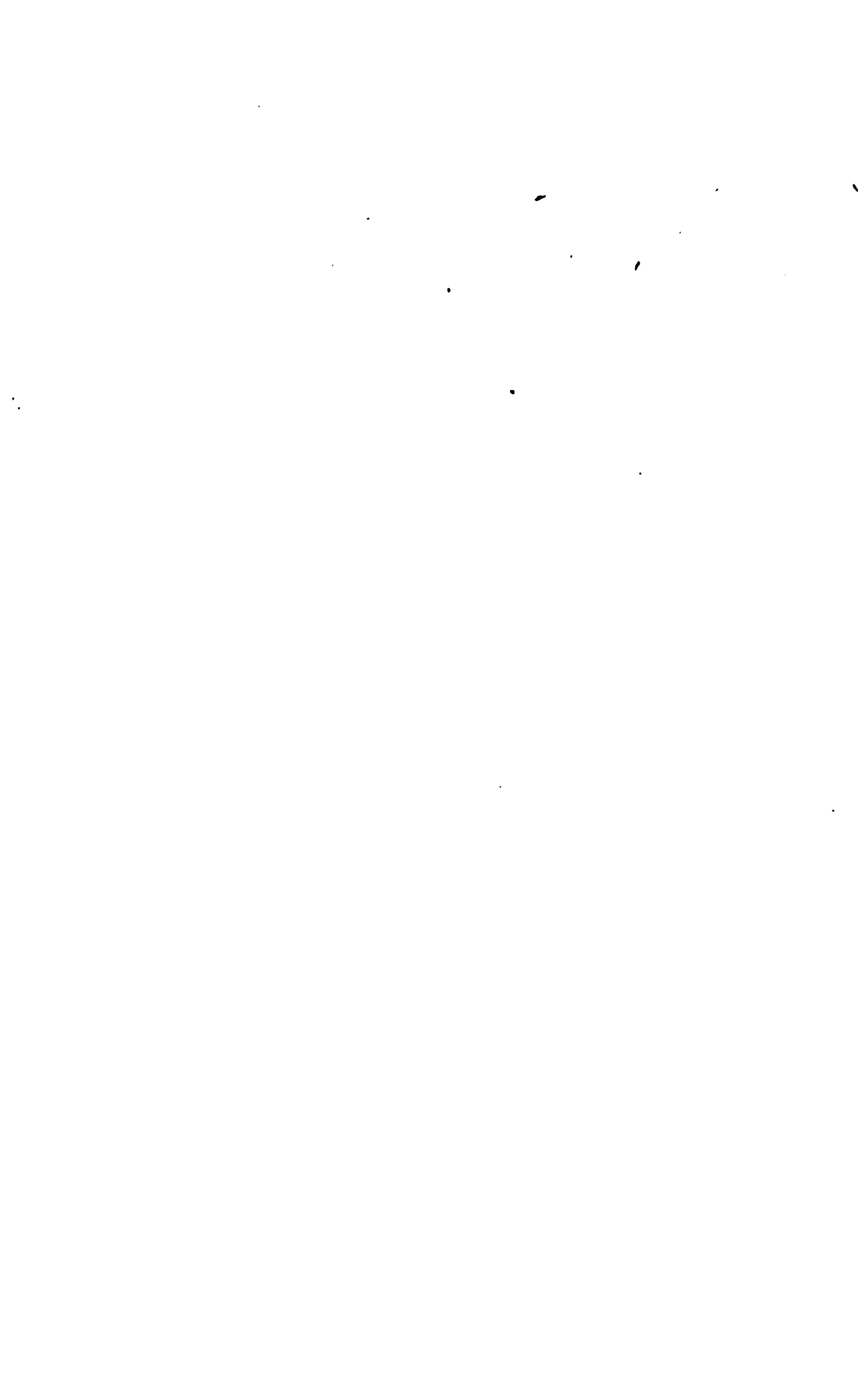
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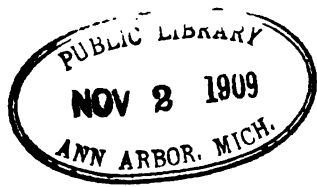
^a Printed in Report of Chief of Engineers, Vol. V.

^b Printed in Report of Chief of Ordnance, Vol. VI.





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**REPORT OF THE CHIEF OF THE BUREAU OF INSULAR
AFFAIRS TO THE SECRETARY OF WAR.**

62564—WAR 1908—VOL 7—1

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REPORT
OF THE
CHIEF OF THE BUREAU OF INSULAR AFFAIRS
TO THE
SECRETARY OF WAR.

WAR DEPARTMENT,
BUREAU OF INSULAR AFFAIRS,
Washington, October 31, 1908.

SIR: I have the honor to submit the following report of the Bureau of Insular Affairs for the past year:

**LEGISLATION ENACTED BY THE SIXTIETH CONGRESS, FIRST
SESSION**

SHIPPING.

By the act of March 8, 1902, Congress provided for suspension of the application of the coastwise laws of the United States to the Philippine Islands until July 1, 1904. By subsequent enactments of April 15, 1904, and April 30, 1906, application of these laws to the Philippines was further postponed to July 1, 1906, and April 11, 1909, respectively. Finally, during the last session of Congress, this temporary suspension was made permanent by the following act:

AN ACT To repeal an act approved April thirtieth, nineteen hundred and six, entitled "An act to regulate shipping in trade between ports of the United States and ports or places in the Philippine Archipelago, between ports or places in the Philippine Archipelago, and for other purposes," and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That until Congress shall have authorized the registry as vessels of the United States of vessels owned in the Philippine Islands, the government of the Philippine Islands is hereby authorized to adopt, from time to time, and enforce regulations governing the transportation of merchandise and passengers between ports or places in the Philippine Archipelago.

Sec. 2. That on and after the passage of this act the same tonnage taxes shall be levied, collected, and paid upon all foreign vessels coming into the United States from the Philippine Islands which are required by law to be levied, collected, and paid upon vessels coming into the United States from foreign countries.

Sec. 3. That the provisions of law restricting to vessels of the United States the transportation of passengers and merchandise directly or indirectly from one port of the United States to another port of the United States shall not be applicable to foreign vessels engaging in trade between the Philippine Islands and the United States.

Sec. 4. That the Philippine Commission shall be authorized and empowered to issue licenses to engage in lighterage or other exclusively harbor business to vessels or other craft actually engaged in such business at the date of the passage of this act and to vessels or other craft built in the Philippine Islands or in the United States and owned by citizens of the United States or by inhabitants of the Philippine Islands.

Sec. 5. That such of the navigation laws of the United States as are in force in the Philippine Islands in regard to vessels arriving in the Philippine Islands from the

mainland territory and other insular possessions of the United States shall continue to be administered by the proper officials of the government of the Philippine Islands.

Sec. 6. That the act entitled "An act to regulate shipping in trade between ports of the United States and ports or places in the Philippine Islands, between ports or places in the Philippine Islands, and for other purposes," approved April thirtieth, nineteen hundred and six, and all laws and parts of laws in conflict with the provisions of this act, are hereby repealed

Approved, April 29, 1908.

In this act no new legislation was embodied beyond that contained in section 3, excepting, as indicated, the Philippines from the coastwise laws of the United States. The necessity of this legislation was set forth regularly for a number of years in the annual reports of the Secretary of War, the Chief of the Bureau of Insular Affairs, and the Philippine Commission, and in the hearings before the committees of both Houses of Congress. The application of the coastwise laws to the Philippines would have restricted to vessels of the United States all transportation of freight and passengers between the United States and the islands—a restriction that, if put into effect, must have worked serious injury to commercial and industrial interests both in the Philippines and in the United States. The prior acts, providing for the temporary suspension of these laws, did not seem to take into account that freight and passengers between United States and Philippine ports could not be transported wholly in American bottoms without substantial increase in the number of American vessels available for this trade, or that such increase within any reasonable time under present conditions was unlikely. As matters of fact, notwithstanding the notice to American shipping interests through the acts of 1902, 1904, and 1906, only a fraction more than 7 per cent of the value of the products of the Philippines coming to the United States during the fiscal year ended June 30, 1908, was carried in American bottoms, and of the 366 steam vessels clearing with cargo from Manila during the same period only 13 were American. Nothing further appears necessary to establish the wisdom of this legislation.

PHILIPPINE SCOUTS.

The Philippine Scouts are by law a part of the Regular Army of the United States, and as such do not come within the administrative control of this bureau. Nevertheless, as an important factor in the education of the Filipino people and in the creation of a higher standard of living in the islands, as well as in the extension of American influence, they fall under its direct concern.

Captains of scout companies.—For this reason the provision made by Congress during its last session for the promotion of officers of scout companies to include the grade of captain is a source of both interest and satisfaction to the bureau.

Filipino cadets at the Military Academy.—In the same connection the provision contained in the act of May 28, 1908, for the support of the United States Military Academy, authorizing the designation by the Philippine Commission of one Filipino cadet for each class at the Academy was not only a measure in which the Bureau was more directly interested, but the enactment of which it urged in every proper way. Under the law such Filipinos both at entrance and while at the Academy will stand on the same footing in every way as cadets appointed from the United States; but on graduation they will be eligible only for commissions in the Philippine Scouts. No

appointments have as yet been made under this authority, but it is expected that one will be designated in time to enter at West Point with the next fourth class.

A bill of similar tenor, authorizing the appointment of five Filipinos to receive instruction at the United States Naval Academy, was also introduced in Congress during the last session, but further than reference to the Committee on Naval Affairs received no action.

PHILIPPINE COMMISSION.

On the earnest recommendation of the Secretary of War Congress provided in the act of May 11, 1908, for the increase of the Philippine Commission from eight to nine members, and for the creation of a new executive department. For several years previously the commission had consisted of the governor-general, four American members presiding over executive departments, and three Filipino members without portfolios, but sharing in the legislative duties of the commission. Under the new law five members still constitute a quorum as before and with the additional member a quorum is more readily obtainable and the embarrassment that has sometimes arisen due to the impossibility of securing the presence of sufficient members for the transaction of business rendered less likely of occurrence in the future. The absence of members from Manila is at times unavoidable. For the proper discharge of their duties and for the better understanding of local conditions it is frequently necessary for them to visit parts of the archipelago remote from the capital. Under present conditions journeys of this character may require six weeks or more for completion, which, with absence caused by illness or by authorized leave, has been sufficient at times to interfere with the proper conduct of public affairs.

The new executive department authorized by the law has not yet been created, but the first step in the direction contemplated by Congress was taken on July 1, 1908, when Mr. Gregorio Araneta, attorney-general of the Philippine Islands, was appointed to the existing departmental vacancy as secretary of finance and justice. Two legislative vacancies in the commission have also been filled by the appointment of Judge Newton W. Gilbert, of Indiana, and of Mr. Rafael Palma, of the Philippine Islands.

CATHOLIC CHURCH CLAIMS.

By an act approved March 26, 1908, Congress appropriated \$403,-030.19, payable to the representative of the Roman Catholic Church in the Philippine Islands, the Archbishop of Manila, as trustee, in full satisfaction of all claims arising out of the use of church property by the troops of the United States during and following the war with Spain and the Philippine insurrection. These were claims of the Catholic Church proper and bore no relation to the problem of the "friars' lands," already satisfactorily solved by the purchase of the lands of the religious orders by the Philippine government. The claims in this case arose out of the occupation of church buildings by the United States forces during and following active military operations throughout the islands, and covered both the rent of the property while occupied and the damage resulting from such occupancy.

This appropriation was based upon the recommendations of a board composed of officers of the Army convened at Manila August

1, 1905, and known as the board on church claims. Under rules laid down by the Secretary of War, June 12, 1905, this board made an exhaustive investigation, continuing for the better part of six months, of all the claims in question. It examined many witnesses under oath, and its members visited numerous towns where buildings involved were situated in order to determine the value of the property and the amount of damage due to occupation by United States troops. The claims presented to the board amounted in total to \$2,442,963.13 and the award recommended was \$363,030.19, with a further conditional recommendation of a payment of \$40,000 for the spoliation and loss of sacred ornaments, images, and vestments, provided that Congress should, as a matter of equity, desire to render such compensation to the church. After a full hearing before the committees of both Houses, where all the witnesses examined were united and positive in the opinion that the recommendations of the board were conservative, Congress approved of the awards as recommended and provided for the appropriation as indicated. Payment has been made to the representative of the church and the claims, so far as the Government is concerned, are settled.

PHILIPPINE EXHIBIT AT ALASKA-YUKON-PACIFIC EXPOSITION.

Through the sundry civil act approved May 27, 1908, Congress authorized and directed the Secretary of War to aid the people of the Philippine Islands in providing and maintaining an appropriate and creditable exhibit of the resources and products of those islands at the Alaska-Yukon-Pacific Exposition to be held at Seattle, Wash., in 1909, and for this purpose provided for an appropriation of not to exceed \$25,000.

PENDING LEGISLATION.

REDUCTION OF DUTIES.

On the opening day of the Sixtieth Congress a bill was introduced providing for free entry into the United States of Philippine products, excepting, for the present, sugar, tobacco, and rice, on which, under the proposed measure, 25 per cent of the United States tariff duty would be collected, and providing for free entry of United States products into the Philippine Islands, and for free trade between the United States and the Philippine Islands, without exceptions, after April 11, 1909. This bill is identical with the bill introduced at the first session of the Fifty-ninth Congress, and the merits of which, as well as the effect of the United States tariff on Philippine sugar and tobacco, have been covered in previous reports. In view of the fact that all interests involved in the proposed legislation had already received consideration, no congressional hearings were had during the last session. Adjournment was reached without action on this bill.

So confident are the friends of the measure in the belief that it can not injure similar interests in this country, that they are entirely agreeable to the inclusion of a clause limiting the amount of Philippine sugar to be admitted under its provisions to 400,000 tons annually. This, the sugar people here admit, could not injuriously affect their interests, while it would, nevertheless, be sufficient to restore some of the former prosperity to the sugar interests in the islands and to develop those provinces where sugar has been produced for many

years and where the depression in its production now affects the prosperity of the whole archipelago.

The United States now receives about one-fourth of 1 per cent of the cigars exported from the Philippine Islands, but if the entire product were received here, it would form only a little over 1 per cent of the total consumption. There has been a fairly regular increase of over 2 per cent annually in the number of cigars consumed in the United States, and the entire Philippine production could supply this natural increase for only about five months. But even if there were absolutely free admission of the Filipino-made cigars only a comparatively small proportion of those produced would seek the American market. The greater number of the cigars made in the Philippines are of inferior quality and would not find purchasers here, while many of the better grades would still continue to go to other countries, since comparatively few people here have acquired a taste for them. Any increased demand, therefore, would be a matter of gradual growth, but a reduction of the present duties would afford the moral encouragement of which producers in the islands now stand so seriously in need.

The other principal products of the Philippine Islands, hemp, copra, and rice, have the advantages over sugar of not requiring such enormous capital for development and of not entering into competition with interests of this country.

PHILIPPINE TARIFF.

In accordance with the recommendations of the Philippine Commission a bill was introduced during the last session providing for the following changes in the Philippine tariff act of March 3, 1905:

First. To reduce the duty on silvered copper foil, largely used in the packing of buttons, from \$2 to 50 cents per kilo (2.2046 pounds), net weight, subject to a minimum charge of 25 per cent ad valorem; to increase the rate on buttons of bone, porcelain, composition, and similar materials from 20 to 30 cents per kilo, and to increase the rate on mother-of-pearl buttons from \$1 to \$1.30, subject to a minimum rate of 50 per cent ad valorem. The present specific rate on silvered copper foil is equivalent to approximately 140 per cent ad valorem, which is abnormal. The Philippines are a large producer of mother-of-pearl shells, which heretofore have been exported to other countries, manufactured and shipped back to the Philippine Islands. Several years ago a number of Filipinos started a factory where about 100 hands are employed for the manufacture of these shells into buttons, and it was to protect this infant industry and to encourage others along other lines that this bill was introduced. These buttons have been manufactured at a distinct loss for several years.

Second. To put on the free list agricultural machinery and implements, machinery and apparatus for making or repairing roads, steam and other motor plows, and all materials for exclusive use in construction or repair, in the Philippine Islands, of vessels of all kinds. Practically all of these articles are purchased in the United States. On agricultural machinery the present customs duty is only 5 per cent, and is a tax for revenue only. The only objection, therefore, to the removal of the duties would be the loss of revenue to the insular government, but the advantages which would accrue to the islands through the additional facilities and stimulus

which would be given to agriculture outweigh the loss of revenue involved. The last provision is intended to put the local shipyards in better position to compete with the yards in Hongkong, where all materials are entered free of duty, and to encourage the establishment of shipbuilding and ship-repairing concerns in the islands.

Third. To reduce the rate on machinery and apparatus for mining and the reduction and smelting of ores from the present rate of 10 to 20 per cent, according to the component materials, to a flat rate of 5 per cent ad valorem. About 90 per cent of this machinery comes from the United States at present, and this change is desired to encourage the development of the mineral resources of the islands.

Fourth. A minor change is included under the paragraph covering whisky, rum, gin, and brandy, in effect that each and every gauge or wine liter of measurement shall be counted as at least one proof liter. This simply conforms to the internal-revenue laws and tariff of the United States, and while it has the effect of slightly increasing the tariff this is incidental and not for the purpose of protecting any industry.

Fifth. A provision is included permitting invoices of merchandise shipped from the United States to the Philippines to be sworn to before a notary public. The present law requires such oaths executed "before a United States commissioner, collector of customs, or deputy collector of customs." In many of the inland cities of the United States there is none of the last-named officials, and the merchants at those places can not readily meet this requirement. This addition, therefore, would do much to relieve a situation seriously complained of by our merchants.

These changes have all been recommended by the Philippine Commission, the insular collector of customs, the Secretary of War, and the two Resident Commissioners of the Philippine Islands in Washington. The bill was favorably reported upon by the House Committee on Ways and Means and passed by the House of Representatives. It is still pending before the Senate Committee on the Philippines, to which it was referred on May 28, two days before the close of the last session.

PHILIPPINE LEGISLATURE.

In the last annual report of this bureau reference was made to the opening of the first Philippine Assembly by the Secretary of War on October 16, 1907. The Assembly and the Philippine Commission now form, respectively, the lower and upper houses of the legislative branch of the Philippine government, known as the Philippine Legislature. In accordance with the organic law providing for the Assembly, the Legislature duly elected as the two Resident Commissioners to the United States Messrs. Benito Legarda and Pablo Ocampo, and the House of Representatives, by appropriate resolution, extended to them the privileges of the floor with the right of debate, as well as the same rights as Members in the allotment of rooms in the House office building.

It is perhaps worthy of note that the first bill passed by the Philippine Legislature was an act appropriating 1,000,000 pesos for the construction of municipal school buildings, 50 per cent of the cost in each case to be contributed by the municipality.

RAILROADS.

Encouraging progress has been made in the building of the new railway lines, for which concessions were granted, as shown in previous reports of this bureau, and as far as completed they are reported to be well constructed and well adapted to local conditions. The completion of this work should mean a new impetus to agriculture, increased export possibilities, and substantial elevation of the material and social condition of the people.

In the Orient two-thirds of the income from railways is usually from passenger traffic, but as the railroads in this case will directly affect the exports of agricultural products and quicken all the nerves of trade and manufacture, a steady increase in freight receipts is to be looked for from the date of first operation. The passenger outlook is exceptionally bright. Out of the 14 provinces through which the roads will pass in Luzon the 10 provinces with the greatest prospective mileage have a density of population ranging from 334 to 112 and averaging over 212 per square mile, and have an aggregate population of 2,270,621, which is nearly one-third of the entire population of the archipelago.

In the three Visayan islands—Cebu, Panay, and Negros—in which railroads are to be constructed, the density of population is, respectively, 336, 161, and 94, or an average of 197, while the total population amounts to 1,796,669. The average density of population of Cebu (336) is greater than that of Japan, Italy, Germany, or France; the density of Panay (161) is about equal to that of British India, Portugal, or Denmark, and the density of Negros (the most sparsely populated, with 94) is about the same as that of Spain. The density of population in the United States is about 26, and the four States having the greatest density are Rhode Island, 407; Massachusetts, 348.9; Connecticut, 187.5, and New York, 152.6. These figures speak for themselves and the future of the railways seems assured. No reason appears why the Visayan lines should not pay a fair interest on the investment above the 4 per cent guaranteed by the Philippine government, for outside of the possible passenger business they should develop an increasing freight traffic from the fertile agricultural country through which they pass, and which, up to the present, may be said to have hardly been touched. There is no guaranty on the lines in Luzon.

The progress of railroad construction in each island is as follows:

LUZON.

The following table shows the length of the new lines constructed and in operation June 30, 1908:

Line.	Miles.	Line.	Miles.
Dagupan-San Fernando Unión.....	14.004	Double main track of Belt Line.....	1.864
Baguio-San Fabian.....	12.042	Cavite Short Line.....	20.008
Paniqui-Tayug.....	9.206	Paniqui-Camiling.....	12.427
Dau-Magalang.....	5.654	Pasig-Montalban (about).....	20.
San Fernando-Florida Blanca.....	15.236	Bigaa-Cabanatuan.....	56.855
Batangas Line (from Center Paco station platform).....	13.954	Manila-Antipolo (nearly completed).....	19.894
Belt Line (to Center Paco station platform).....	5.890	Dact-Mercedes.....	4.490

In addition to the foregoing there have been constructed since June 30 on the Batangas line 4½ miles, and on the line to San Fernando Unión about 5 miles, while it was confidently reported that by November 1 the Antipolo line would be completed. Recent reports state also that it is expected that trains will be running on the Batangas line as far as Calamba by the middle of November. The completion of the remaining mileage of the proposed lines contracted for under the concessionary act is being pushed as rapidly as possible consistent with the conditions to be met.

PANAY.

The first 20-mile section, extending from Iloilo north to Pototan, was opened for construction operation in March, 1908. Track laying on the second 20-mile section has reached the Jalaur River at Passi, mile 33. Grading is proceeding from that point north toward Capiz, the northern terminus, and it is expected that the second 20-mile section will be ready for construction operation in December. On the first section 85 per cent of the masonry is completed, on the second section 20 per cent, and the steel bridges for both sections are on the island. Seventy-five per cent of the work has been done on the shops, sheds, storehouses, and the terminal buildings at Iloilo, and the station buildings between Iloilo and Dueñas (mile 29) are 90 per cent completed.

Passenger equipment for Panay, consisting of 2 combination parlor and first-class cars, 2 combination baggage and second-class cars, and 9 second-class cars, was placed in service on July 1, 1908.

A conservative estimate based upon the exports and imports and local business, as compared with the operated line in Luzon, gives assurance of a net revenue of at least 5 per cent, or 1 per cent above the governmental guaranty, upon the cost of construction at the beginning of operation, and nowhere in the islands is the future growth and development of traffic more promising.

CEBU.

The main line, extending from Danao south through Cebu and Carcar to Argao, was preliminarily completed and placed in construction operation in May, making a total of 59.4 miles of continuous track on this island. Ninety per cent of the masonry work is completed and 90 per cent of the steel bridges erected, with the exception of two additional spans ordered for the Argao River. Ninety-five per cent of all the buildings on Cebu is completed.

Passenger equipment for Cebu, consisting of 2 combination parlor and first-class cars, 2 combination baggage and second-class cars, and 9 second-class cars, was placed in service on June 20, 1908.

BENGUET.

Benguet is a province in northern Luzon, lying in the mountain ranges just east of the west coast. It is a plateau of more than 5,000 feet elevation, a country of pine trees and grass, where the temperature, never rising above 80° and never falling below 40° F., gives to it the invigorating atmosphere of the Adirondacks without their extremes of heat and cold. It is the most healthful location

in the islands. Baguio, its capital, is now used also as the "summer capital" of the islands to enable officials, both Filipino and American, to escape the heated season in Manila and to recuperate from the strain and ailments of the lower Tropics.

A railroad now reaches from Manila to Camp No. 1, in the Bued River Canyon, about 22 miles from Baguio. The Philippine Commission has built a fine macadamized road from this point to Baguio, to meet the immediate demands of traffic of carts, wagons, carriages, and automobiles. Authority has been given to extend the railroad to Baguio and bids have been requested for this purpose, but thus far without result, despite the inducement held out in the offer of the use of the highway as a roadbed, which would materially reduce the expense of construction.

Ground is now being sold there for schools and churches and for private residences to Filipinos and Americans. There has been reserved for military purposes a tract of land sufficient for quarters, drill ground, and adjuncts of a full brigade. The only expense would be for barracks and quarters. A hospital has already been built, together with quarters for a small detachment and a number of officers. Reports submitted by medical officers of the hospital show cures of diseases that do not respond readily to treatment in the United States. The value of a station there where every regiment in the Philippines might be sent from time to time for recuperation can hardly be overestimated. It would save lives and would save money. If Congress, to provide such a post, would make a suitable appropriation, to become available only upon completion of a railroad, it would not only serve both the interests of economy and efficiency, but would assure this extension, since the traffic incident to the maintenance of even a regiment there would doubtless be sufficient to pay operating expenses.

MINDANAO.

Recommendation has already been made from your office for an appropriation by Congress for the construction of an electric or other railway from Camp Overton, on the north shore of Mindanao, to Camp Keithley, on Lake Lanao, in the center of the Moro country. Camp Keithley is the most important post strategically in the whole Moro Province, and must always be maintained. It is 25 miles from Camp Overton, from where all its supplies have now to be hauled by wagon. It has been estimated that a steam or electric railway could be built and equipped for what it will cost under present conditions to transport supplies for three years. Once such a railroad were in operation, of course the cost of troops at Camp Keithley would be materially reduced. Camp Keithley is 3,000 feet above the sea, a very healthful post, and if made more accessible by a railway its importance will be materially increased.

AGRICULTURAL BANK.

In the last annual report of this bureau there was given in full the text of the act of Congress approved March 4, 1907, providing for the establishment of an agricultural bank in the Philippine Islands, for which legislation the necessity had been well set forth in preceding reports of the Philippine Commission and in several hearings before congressional committees. Private capital having hesi-

tated, however, to enter upon this enterprise, and its necessity becoming still more apparent, the Philippine government determined itself to carry into effect the intent of the act of Congress indicated. During the first session of the Philippine Legislature a resolution enacted February 12, 1908, was passed, providing for a mixed commission to prepare a plan of organization of an agricultural bank, with a capital of 1,000,000 pesos; and based upon the favorable opinion of the Attorney-General of the United States, dated April 16, 1908, covering the legality of the proposed action, an enactment of the Philippine Legislature, passed June 18, 1908, established the agricultural bank of the Philippine government and appropriated 1,000,000 pesos out of general funds as its capital.

Loans under this act are limited to between 50 and 25,000 pesos, and the administrative control of the institution and its means and methods of conducting business are plainly fixed in the interests of all concerned and wisely safeguarded by the law.

Under date of October 9, 1908, a cablegram from Manila stated that the bank had begun operations, and that the first loan had been made to an American farmer of Tarlac Province. It seems beyond question that this bank will prove an important factor in the restoration and promotion of agriculture in the Philippine Islands.

POSTAL SAVINGS BANK.

The transactions of the postal savings bank, which began operations in the Philippines as a part of the bureau of posts October, 1906, show a steady increase of business for the past fiscal year and indicate that the institution is well received by all classes.

On June 30, 1908, there were in operation 12 first-class, 106 second-class, and 127 third-class branches, or a total of 245, with net deposits aggregating 1,031,994.04 pesos, covering 5,389 open accounts. This is a net increase of 3,058 accounts, or 56.7 per cent, over the fiscal year 1907. Up to the end of this fiscal year the bank had been patronized by a total of 7,346 depositors since beginning operation, October 1, 1906, as compared with 2,676 at the end of 1907. A classification of depositors by nationality shows 3,725 (50.71 per cent) Americans, 3,294 (44.84 per cent) Filipinos, 132 Europeans, 151 Asiatics, and 44 societies. The separate deposits range from a few centavos to over 5,000 pesos. An increase is noted of nearly 10 per cent over the previous year in the number of Filipino depositors, tending to demonstrate that the institution is gaining the favor and confidence of the Filipino people. This is to be regarded as an encouraging sign, as the bank was established primarily for the benefit of the Filipinos, and the ultimate success of the venture must necessarily depend upon their patronage.

PAPER CURRENCY.

My last annual report showed that paper currency to the amount of 47,000,000 pesos had been shipped to the Philippines. During the past fiscal year there were prepared at the Bureau of Engraving and Printing of the Treasury and forwarded to Manila 1,000,000 pesos in 2-peso notes and 3,000,000 pesos in 500-peso notes. The cost of the 4,000,000 pesos was \$5,831.96, and the expense of shipment \$70.19, a total of \$5,902.15.

Amounts and denominations of paper currency sent to the Philippines to June 30, 1908, were:

2-pesos.....	P9,000,000
5-pesos.....	6,000,000
10-pesos.....	16,000,000
20-pesos.....	6,000,000
50-pesos.....	4,000,000
100-pesos.....	4,000,000
500-pesos.....	6,000,000
	<hr/>
	51,000,000

On June 30, 1908, there were in circulation 18,883,699 pesos of notes of the insular government secured by a reserve fund in the treasury of 10,083,699 pesos of Philippine silver and \$4,400,000 of United States gold.

SILVER COINAGE.

As authorized by the act of Congress approved June 23, 1906, 15,905,000 pesos in Philippine coinage were shipped to the San Francisco mint during the fiscal year for recoinage in accord with the new standard of weight and fineness. To June 30, 1908, 23,905,000 pesos of Philippine coins had been returned to the mint for recoinage, leaving 9,840,501 pesos of the old coins in the islands.

From recoinage and from coinage of 482,732.73 ounces of bullion purchased there were delivered by the San Francisco mint during the fiscal year (including shipment on transport sailed July 5, 1907) 18,120,000 pesos of new Philippine coins, making the total shipments to June 30, 1907, from San Francisco and from Philadelphia:

Pesos.....	P21,657,000
50-centavos.....	2,151,000
20-centavos.....	1,046,000
10-centavos.....	803,000
	<hr/>
	25,657,000

Since on June 30, 1908, there had been shipped to the San Francisco mint 23,905,000 pesos of the old coins which should make 36,231,353 pesos of the new, and since the deliveries of new coins to that date, exclusive of 3,000,000 pesos minted from bullion purchased, amounted to 22,657,000 pesos, the Philippine government had on June 30, 1908, in the San Francisco mint or in transit thereto sufficient of the old coins to produce 13,574,353 pesos of the new. When the recoinage is completed, the Philippines will have, from this source and from bullion purchased, a silver circulation of approximately 54,000,000 pesos.

There were paid during the year in connection with Philippine coinage the following charges:

For bullion purchased.....	\$295,054.78
For insurance:	
On incoming shipments coins.....	\$3,666.04
On outgoing shipments coins.....	7,609.48
	<hr/>
	16,275.52
For cartage:	
On incoming shipments coins.....	\$539.83
On outgoing shipments coins.....	460.30
	<hr/>
	1,000.13
For coinage charges.....	203,187.68
For miscellaneous expenses.....	1,573.38
	<hr/>
Total.....	517,081.49

DEPOSITARIES.

In addition to the depositaries of the Philippine government named in my last annual report, Speyer & Co., of New York City, were designated by the Secretary of War, in March, 1908, as an authorized depositary in the United States for funds of the Philippine government. The total deposits of the treasurer of the Philippine Islands with banks in the United States on June 30, 1908, amounted to \$8,034,602.94, as against \$13,061,095.86 June 30, 1907. On June 30, 1908, these deposits were secured by \$5,875,000 of negotiable securities and \$5,000,000 of surety bonds. This arrangement is in accordance with instructions from your office authorizing one-half of the security for deposits to be in negotiable securities.

STAMPS.

During the fiscal year there were prepared by the Bureau of Engraving and Printing and forwarded to Manila the following Philippine postage stamps:

	Stamps.
2-centavo.....	4,000,000
8-centavo.....	135,000
20-centavo.....	300,000
26-centavo.....	114,000
30-centavo.....	200,000
Total.....	4,749,000

BONDED INDEBTEDNESS.

Since my last annual report the bonded indebtedness of the Philippines has not changed, standing June 30, 1908, as follows:

	Amount.	Redeem- able.	Due.
Land-purchase bonds, 4 per cent.....	\$7,000,000	1914	1934
Public works and improvement bonds, 4 per cent.....	2,500,000	1915	1935
Do.....	1,000,000	1916	1936
City of Manila sewer and water bonds, 4 per cent.....	1,000,000	1915	1935
Do.....	2,000,000	1917	1937

PURCHASE OF SUPPLIES.

During the fiscal year the bureau received from the Philippines 920 requisitions by mail and 110 by cable, an increase over the preceding year of 308 and 37, respectively. There was disbursed by the bureau for supplies bought for the Philippines and for expenses of shipment, etc., \$606,595.89. In addition to actual purchases, the bureau obtains many quotations for the Philippine government to protect it in purchasing in the Manila market. Purchases are made and quotations obtained through the agency maintained in the Whitehall Building, New York City, under the system which has been detailed in previous reports. The personnel of the New York office consists of a purchasing agent and five clerks.

Whenever practicable orders for supplies are placed with firms on the Pacific coast and forwarded to Manila on army transports. The Quartermaster's Department of the Army has ever shown a willingness to assist the bureau in the purchase of supplies in instances where such services could be more readily or advantageously performed by that department than by the New York office, and the

courtesies thus extended have been of much value to the bureau. In the same connection I may add that every department of the Government has shown a spirit of hearty cooperation whenever its aid has been sought in obtaining supplies for the Philippines. As mentioned in my last report, the Post-Office Department and the Government Printing Office incorporate in their annual contracts provisos for the purchase by this bureau of such supplies as may be required by the Philippine government. Valuable assistance has also been rendered by the Government Printing Office in the inspection of all paper purchased for the Philippines, thereby insuring, before shipment, that paper purchased will be satisfactory to the authorities there—a matter in which some difficulty had been experienced in the past.

The general receiver of Dominican customs similarly forwards requisitions to the bureau for such supplies as are needed by the receivership, and orders for these supplies are placed by the New York office and the accounts transmitted to the general receiver for settlement.

DISBURSEMENTS.

All disbursements of Philippine revenues in the United States are made by the disbursing agent of this bureau. The disbursements for the fiscal year totaled \$2,909,212.70, in payment of 3,987 accounts, and the disbursements from the inauguration of the disbursing office, May 20, 1901, to June 30, 1908, were \$33,122,806.80, in payment of 20,110 accounts.

COMMERCIAL STATISTICS.

A compilation of monthly reports of the foreign commerce of the Philippines for record and publication and the quarterly issue of the Summary of Philippine Commerce have been continued. In the latter a number of schedules of minor commercial importance have been merged and tables added giving in detail the trade of each country figuring to any extent in Philippine commerce. A change has also been made in the system of reporting imports, in order to supply this office with data under paragraphs of the tariff schedule as well as in the more general form heretofore received and published. The additional work involved will be more than compensated for by the resulting availability of the information for the study of the operation of the tariff laws and for meeting the wants of Congress in connection with their revision.

IMPORTS.

The imports, exclusive of gold and silver and United States Government supplies, for the fiscal years 1899–1908 were as follows:

Fiscal year.	From—		Total.
	United States.	Other countries.	
1899 ^a	\$1,150,613	\$11,962,397	\$13,113,010
1900.....	1,667,701	18,943,735	20,601,436
1901.....	2,855,685	27,423,721	30,279,406
1902.....	4,035,243	28,106,599	32,141,842
1903.....	3,944,098	29,027,784	32,971,882
1904.....	4,633,216	28,587,545	33,220,761
1905.....	5,761,498	25,114,852	30,876,350
1906.....	4,333,893	21,465,373	25,799,266
1907 ^b	5,155,369	23,630,496	28,785,865
1908 ^b	5,079,487	25,838,870	30,918,357

^a August 20, 1898, to June 30, 1899.

^b Figures exclude free-entry railway supplies.

The favorable showing made for 1908 by the increase shown by this table of \$2,132,502 over 1907 is modified by the fact that the increased importation of rice alone more than covers this total increase for the year. Rice imports, which steadily increased from a value of \$3,113,423 in 1900 to \$11,548,814 in 1904 and as steadily declined in succeeding years to \$3,662,493 in 1907, have in the year just closed, through exceptionally high prices obtaining, as well as increased quantities imported, reached a value of \$5,861,256. If these increased imports of rice, therefore, having a purely negative bearing on general import conditions, be excluded, it appears that the value of imports remained substantially the same in 1908 as in 1907.

The exceptionally heavy cotton trade of 1907 was not maintained, and the total of \$8,011,834 in 1908 was smaller by \$404,412 than in the previous year. Reduced values of imports were reported in all the large items of cloths, knit goods, and yarn and thread, offset to some extent by increases in cotton goods of minor importance. The iron and steel importation of 1907 was also abnormally large, and fell in value in 1908 \$380,273 short of the two and a half million dollar total of the previous year. A decrease of \$134,721 is shown also in the value of vegetable imports.

The opium trade of the islands, which in the earlier years averaged about three-quarters of a million dollars annually, in 1907, under the weight of prohibitive legislation, increased duty, and internal-revenue taxation, amounted to but \$513,287. In 1908 opium imports were reduced to \$143,670, all of which was admitted during the first half of the fiscal period. By Congressional action it became unlawful after March 1, 1908, to import opium into the Philippines, except by the Government and for medicinal purposes, and this large item of past years loses its prominence in the import trade.

Among items of increased import value in 1908 was fresh beef, which reached a total of \$479,557, practically doubling the figures of the previous year. Wheat flour was imported to the value of \$1,044,570, or an increase of \$155,396 over the trade of 1907. Boot and shoe imports increased from \$306,721 to \$451,421, while a somewhat smaller gain was made in the half-million dollar silk trade of 1908.

Imports from the United States amounted to \$5,079,487 in 1908, and were less by \$75,872 than in the previous fiscal period. In the cotton-cloth trade the encouraging figures of 1907 following the tariff legislation of February 26, 1906, were not maintained, and imports of American cloths which increased from a value of \$222,951 in 1906 to \$1,016,036 in 1907, declined to \$533,693 in 1908. Iron and steel imports from the United States suffered a shrinkage of \$63,583 coincident with the general decline in this trade, but in the rivalry of the United States and the United Kingdom in this field, American products took first place with imports to the value of \$800,753. Of the increased imports of wheat flour, the United States furnished almost the whole of the increase, but in spite of this gain Australian flour maintained its foremost place in the trade of the year. American boots and shoes were imported to the value of \$338,929, or \$117,911 more than in the previous year, and confirmed the supremacy already established in the insular market. In the illuminating-oil trade the position of the United States was also strengthened in 1908 at the expense of the Dutch East Indies, the only other contributor of importance.

EXPORTS.

The exports, exclusive of gold and silver, for the fiscal years 1899-1908 were as follows:

Fiscal year.	To—		Total.
	United States.	Other countries.	
1899 ^a	\$3,540,894	\$8,826,018	\$12,366,912
1900.....	3,522,160	16,228,908	19,751,068
1901.....	2,572,021	20,642,927	23,214,948
1902.....	7,901,743	16,235,936	23,927,679
1903.....	12,863,059	19,256,840	33,119,899
1904.....	11,102,775	19,147,852	30,250,627
1905.....	15,668,026	16,684,589	32,352,615
1906.....	11,579,411	20,337,723	31,917,134
1907.....	12,079,204	21,634,153	33,713,357
1908.....	10,323,233	22,493,334	32,816,567

^a August 20, 1898, to June 30, 1899.

The total exports for 1908 fell short by \$896,790 of their value in 1907. The ruling factor in this result was the steady decline in the price of hemp throughout the year; for though the volume of exported products was generally satisfactory, and in some cases—notably in sugar and copra—contributed largely to offset the reduced figures in hemp, the dominance of this industry in the islands' export trade prevented conditions otherwise generally favorable from counteracting the depression in the hemp market.

In quantity the hemp exports were 1,108 tons in excess of those of 1907, and amounted to 114,003 tons, valued at \$17,311,758. The average price of shipments during the first quarter of 1908 was \$168 per ton, declining to \$151 in the second quarter, \$146 in the third, and \$142 in the fourth, with an average price for the year of \$152, as compared with \$187 in 1907. This depreciation of \$35 per ton resulted in a loss of \$3,773,323 to the hemp industry in 1908, in spite of the increased quantity marketed as compared with 1907, and it is necessary to go back to 1902 to find an average price as low as that which ruled in the past year for this important product. Hemp exports found chiefly British and American markets as heretofore, but shipments to the United States declined, amounting to 48,043 tons, as compared with British purchases of 53,760 tons, and for the first time since the act of March 8, 1902, established direct shipments to the United States, fell below shipments to the United Kingdom.

The sugar trade for the year increased in volume, while the diminished world supply reacted favorably upon the price of the Philippine product as compared with the low figure that prevailed during 1907. Exports increased from 118,395 tons in 1907 to 149,323 tons, which, with the higher price, made an increase of \$1,730,206 in the value of the sugar trade of 1908. The total value of the exports was \$5,664,666, of which shipments to the United States amounted to \$2,036,697 as compared with \$234,074 in 1907.

The exceptionally high prices for copra in 1907 were not maintained, but the quantity marketed was so greatly increased that in spite of a material decline in prices copra exports reached a value of \$5,461,680, or \$1,408,487 in excess of 1907. France, as in previous years, was the leading purchaser, while Spain and Germany were in

the market to a minor extent. American interest in this product showed a further increase from the small beginnings of 1907, and exports to the United States advanced from a value of \$108,086 to \$228,565. Coconut oil, a product closely related to the copra industry, was also exported to the increased value of \$263,069, as compared with \$50,662, and took the foremost place among minor exports of the islands for the year.

In the tobacco trade for the year, cigar exports slightly exceeded the record of 1907 and amounted to \$1,084,196; but the leaf trade, reaching only \$1,581,623, fell short by \$375,865 of the total of 1907, while the value of cigarette exports declined from \$104,268 to \$38,345. In view, however, of the exceptional character of both the leaf and cigarette trade of 1907, it appears that these exports for 1908 were considerably above the average of previous years. As in the past, Philippine cigars found their chief market in the Orient, while Spain and Austria-Hungary took the bulk of the leaf. Of the million dollar exports of cigars, but \$21,781 worth found a market in the United States and no American shipments figured in the leaf trade.

Among minor exports of the islands, maguay failed to maintain its steadily increasing values of previous years, but ilang-ilang oil reached the unprecedented amount of \$181,638.

RECEIPTS AND EXPENDITURES.

The following statement of revenues and expenditures of the Philippine government, exclusive of all items of a refundable character, covers the period from the date of American occupation, August 18, 1898, to June 30, 1908:

REVENUES.

Fiscal year ended June 30—	Insular.	Provincial.	City of Manila.	Total.
1899.....	\$3,558,682.83			\$3,558,682.83
1900.....	6,899,340.53			6,899,340.53
1901.....	10,753,459.95			10,753,459.95
1902.....	9,371,283.11	\$2,006,490.88	\$1,199,593.21	12,576,367.20
1903.....	10,757,455.63	2,327,252.93	1,541,575.85	14,626,284.41
1904.....	10,249,263.98	3,235,539.47	1,931,129.97	15,415,933.42
1905.....	11,549,495.37	3,107,912.91	1,441,165.82	16,098,574.10
1906.....	11,468,057.16	4,509,572.02	1,905,289.85	17,882,919.03
1907.....	11,149,519.25	4,604,528.31	1,681,341.93	17,435,389.49
1908.....	10,899,261.44	4,573,072.32	2,226,226.15	17,698,559.91
Total.....	96,655,929.25	24,626,658.84	12,026,322.78	133,308,910.87

EXPENDITURES.

Fiscal year ended June 30—	Insular.	Provincial.	City of Manila.	Total.
1899.....	\$2,376,327.12			\$2,376,327.12
1900.....	4,758,793.66			4,758,793.66
1901.....	6,451,525.37			6,451,525.37
1902.....	5,159,404.59	\$1,638,158.22	\$622,294.81	7,419,857.62
1903.....	10,245,533.40	1,981,261.22	1,177,611.57	13,404,406.19
1904.....	11,122,632.38	2,339,325.10	1,578,303.50	15,040,261.98
1905.....	12,248,857.33	1,474,320.43	2,574,102.78	16,297,280.54
1906.....	10,146,779.12	4,335,051.33	2,452,352.23	16,934,182.67
1907.....	8,405,012.84	4,735,038.20	1,850,801.40	14,990,852.44
1908.....	11,469,785.64	4,367,407.82	1,897,858.36	17,735,051.82
Total.....	85,421,584.45	20,867,103.31	11,908,354.75	118,197,042.51

Receipts and expenditures for the fiscal year ended June 30, 1908.

AVAILABLE FOR ADMINISTRATIVE PURPOSES.

Amount of funds in the Philippine treasury on June 30, 1908, available for purely administrative purposes, exclusive of funds derived from refundable collections and bond issues..... \$6, 114, 842. 58

INSULAR.

Insular net revenues for the fiscal year ended June 30, 1908, excluding all items of a refundable character..... 10, 899, 261. 44
 Net ordinary insular expenditures, including interest on bond issues and contributions made to the city of Manila and to the provinces in lieu of land taxes, cancellation of loans to provinces, and contributions for provincial administrative purposes..... 11, 469, 785. 64
 Excess of insular expenditures over revenues..... 570, 524. 20

CITY OF MANILA.

Revenues collected by the city, inclusive of the amount contributed by the insular government under provisions of the charter of the city. 2, 226, 226. 15
 Ordinary expenditures of the city, including interest and sinking-fund charges on sewer and waterworks construction bonds 1, 897, 858. 36
 Excess of receipts over expenditures..... 328, 367. 79

OTHER DISBURSEMENTS.

In addition to the above, disbursements were made from the Congressional relief fund for insular purposes, amounting to \$138,476.60. Disbursements were also made under funds which may be designated bond issues, as follows:

Public works and permanent improvement fund..... \$458, 959. 32
 Manila sewer and waterworks construction fund..... 1, 117, 774. 01

FILIPINO STUDENTS IN THE UNITED STATES.

At the date of the last annual report, October 31, 1907, 123 Filipino students were being educated in the United States at the expense of the Philippine government, and one student, under the direction of the bureau, was being educated at his own expense. These students were attending institutions as shown in the following list:

Boulder, Colo.:		De Kalb, Ill.:	
University of Colorado.....	1	Northern Illinois State Normal	
New Haven, Conn.:		School.....	2
Yale University.....	1	Macomb, Ill.:	
District of Columbia:		State Normal School.....	6
Georgetown University.....	1	Normal, Ill.:	
George Washington University..	1	State Normal School.....	1
Chicago, Ill.:		Urbana, Ill.:	
University of Chicago.....	3	University of Illinois.....	10
Rush Medical College.....	2	Bloomington, Ind.:	
College of Physicians and Sur-		Indiana University.....	3
geons.....	7	Lafayette, Ind.:	
Lewis Institute.....	1	Purdue University.....	11
Armour Institute.....	2	Notre Dame, Ind.:	
Northwestern University Law		St. Mary's Academy.....	2
School.....	1	Ames, Iowa:	
Northwestern University School		State College of Agriculture.....	6
of Pharmacy.....	1	Iowa City, Iowa:	
Northwestern University Medi-		University of Iowa.....	4
cal School.....	2		



Manhattan, Kans.:		Trenton, N. J.:	
State College of Agriculture.....	7	State Normal School.....	1
Boston, Mass.:		Ithaca, N. Y.:	
Massachusetts Institute of Tech-		Cornell University.....	9
nology.....	1	Columbus, Ohio:	
Lowell, Mass.:		Ohio State University.....	8
Lowell Textile School.....	1	Philadelphia, Pa.:	
Lansing, Mich.:		University of Pennsylvania.....	2
State Agricultural College.....	2	Drexel Institute.....	3
St. Paul, Minn.:		Woman's Medical College.....	2
College of St. Catherine.....	2	Providence, R. I.:	
St. Louis, Mo.:		Providence Technical High	
St. Louis University.....	1	School.....	1
Lincoln, Nebr.:		Madison, Wis.:	
University of Nebraska.....	6	University of Wisconsin.....	9

The courses followed were as follows:

Agriculture.....	21	Medicine.....	17
Architecture.....	2	Normal (teaching).....	17
Chemistry.....	2	Pharmacy.....	1
Civil engineering.....	35	Science.....	3
Electrical engineering.....	1	Textile weaving.....	1
Mechanical engineering.....	12	Mining engineering.....	1
Law.....	10		

During the year covered by this report, 52 students have returned to the islands. Of these, 1 was sent back on account of ill-health, 3 were returned for misconduct, and 2 because of failure in their studies. The majority of the students returned received degrees or diplomas from the schools where in attendance, and included, in addition to graduates of normal schools, graduates in medicine, law, civil engineering, and agriculture.

Five new appointees have arrived from the islands during the same period and 3 appointments have been made from students already in the United States. One student has been allowed an additional year at his own expense to finish his course in civil engineering, a second has been allowed to remain a year at his own expense on account of his health, and one has been appointed a clerk in this bureau. At this time, therefore, 77 students are undergoing instruction at the expense of the Philippine government.

The past summer, because of the industrial depression, was not favorable for obtaining employment, and the majority of the students in consequence spent their time in summer schools.

The health of the students has been very good throughout, and the attitude of the governing authorities of the institutions where they are in attendance and the relations between the Filipinos and the other students have continued to be most cordial.

The work of these students has been, on an average, very good, and in one or two cases of an exceptionally high order. The value of the movement as a whole to the Philippine government and people must still be left to the future to disclose, but every sign points to its immense importance.

PROVISIONAL GOVERNMENT OF CUBA.

The conduct of affairs requiring action in the United States for the provisional government of Cuba has continued in this bureau. Peace and order have been maintained in the island throughout the year, and at this writing preparations are practically completed for the legislative and executive elections to be held on November 14. Every sign now points to a cheerful acceptance by the Cuban people of the result.

Monthly reports have continued to be received of the extraordinary expenses due to the intervention, which, under the act of Congress approved March 4, 1907, are to be reimbursed from the Cuban treasury. A statement of these expenditures, which belong wholly to the military occupation, from the date of the second intervention to June 30, 1908, follows. The amount paid during the same period from Cuban funds on account of the intervention is also shown. These latter expenditures are made from funds allotted by the provisional government from time to time for expenditures of the Army due directly to its service in Cuba.

Statement of extraordinary expenditures on account of the army of pacification in Cuba.

	Oct. 1, 1906, to June 30, 1907.	July 1, 1907, to June 30, 1908.	Total.
Military Information Division, U. S. Army.....	\$4,906.28	\$10,095.72	\$15,002.00
Signal Corps, U. S. Army.....	94,892.98	7,621.95	102,514.93
Engineer Department, U. S. Army.....	17,849.79	11,675.99	29,525.78
Medical Department, U. S. Army.....	88,839.02	34,723.90	123,562.92
Commissary Department, U. S. Army.....	171,134.14	207,816.17	378,950.31
Quartermaster Department, U. S. Army.....	2,656,471.27	1,312,612.64	3,969,083.91
Ordnance Department, U. S. Army.....	3,838.09	10,860.79	14,698.88
Paymaster Department, U. S. Army.....	255,450.76	251,066.36	506,516.12
Judge-Advocate-General, U. S. Army, law books.....	444.10	.....	444.10
Paymaster Department, U. S. Marine Corps.....	41,072.83	45,819.85	86,892.68
Quartermaster Department, U. S. Marine Corps.....	41,835.87	42,794.52	84,630.39
Total.....	3,376,735.13	1,935,086.89	5,311,822.02

Expenditures of the Republic of Cuba on account of American intervention, October 1, 1906, to June 30, 1908.

Amount advanced by Republic of Cuba..... \$757,343.92

Expenditures:

Barracks and quarters.....	\$692,286.08
Target field.....	12,890.13
Salary of provisional governor.....	14,333.28
Printing and miscellaneous expenses.....	6,369.12
Roads.....	899.81
Amount in hands of disbursing officers.....	30,565.50

Total..... 757,343.92

SETTLEMENT OF THE DOMINICAN DEBT.

In accordance with the convention of February 8, 1907, proclaimed by the President July 25, 1907, the terms of which were set forth in my last report, the Dominican Republic proposed to pay its debts, as adjusted, 20 per cent in cash and 80 per cent in 5 per cent customs administration sinking-fund gold bonds of the Republic, to be taken at 98½ per cent of their face value. The proposition having been accepted by sufficient of the creditors to insure its success, interim certificates representing \$20,000,000 of 5 per cent bonds were issued as of February 1, 1908, and delivered to the Morton Trust Company, of New York, which, by agreements with the Dominican Republic dated January 27, 1908, was appointed fiscal agent for the loan and depositary for funds of the Republic. Orders in favor of creditors of the Republic are drawn by its minister of finance against the Morton Trust Company, as depositary, directing payment of cash and of new bonds of the Republic, in accord with the plan of adjustment, upon surrender to the depositary of the old bonds or other evidences of indebtedness held by the creditors. These orders, after approval by the Department of State of the United States, are registered in this bureau as having been drawn in accordance with the convention of February 8, 1907, and then are paid by the depositary when the conditions prescribed therein have been complied with by the creditors. The depositary is required forthwith to cancel all old bonds, notes, etc., surrendered to it and to transmit them with its accounts to the minister of finance of the Republic.

To September 30, 1908, the depositary had paid out, in connection with the old debt of the Republic, \$3,065,735.75 in cash and \$12,777,350 in the new bonds. As the convention of February 8, 1907, estimated that the debt of the Republic as adjusted would be about \$17,000,000, there were on September 30, 1908, old claims outstanding which, when adjusted, will amount to approximately \$2,000,000, to meet which the depositary had on hand at that date \$1,178,571.64 in cash and \$7,222,650 in new bonds.

The convention provides that when all the old debt has been liquidated the balance of cash and of new bonds remaining with the depositary shall be applied first to the retirement and extinction of certain concessions and harbor monopolies which are a burden and hindrance to the commerce of the Republic, and, second, to the construction of certain railroads and bridges and other public improvements necessary to its industrial development.

The Morton Trust Company, as fiscal agent for the new \$20,000,000 loan, also acts as transfer agent and registrar of the loan and makes interest disbursements. It receives from the general receiver of Dominican customs \$100,000 monthly, which, after paying interest, leaves \$200,000 annually for the sinking fund; and in the event that the customs revenues collected in any calendar year exceed \$3,000,000, the fiscal agent is to further receive for the sinking fund one-half of such excess.

Statement by fiscal years of the customs service of the Republic of Santo Domingo, under the operation of the "Modus vivendi" and the convention of February 8, 1907, from April 1, 1905, to June 30, 1908.

	Apr. 1, 1905, to June 30, 1905.	July 1, 1905, to June 30, 1906.	July 1, 1906, to June 30, 1907.	July 1, 1907, to June 30, 1908.	Total.
DEBITS.					
Expenditures:					
Interest and exchange, S.					
Michellena.....	\$2,186.17	\$5,405.54	\$11,563.96	\$12,185.71	\$31,341.38
Salaries and expenses at all ports.....	13,454.97	70,199.47	72,478.23	79,963.42	236,096.09
Salaries and expenses, office of receiver and general comptroller.....	7,427.88	34,138.94	37,683.06	43,007.80	122,257.68
Expenses of customs and frontier guard.....		32,870.66	58,093.22	46,643.67	137,607.55
Expenses of revenue-cutter service.....		1,065.68	42,012.96	41,067.50	84,136.14
Cost of revenue cutters.....		18,680.00	38,517.50		57,197.50
Cost of custom-house at El Fonda.....			3,046.80	696.12	3,742.92
Property and supplies, gen- eral service.....				215.50	215.50
Expenditures from internal re- venues:					
Ramona - Seybo - Macoris Railway.....		5,935.06	28,127.19	15,554.79	49,617.04
Mona-Monte Cristi Railway.....			56,770.45	25,924.68	82,695.13
Refunds of customs collections:					
Refund of personal fees and concessions.....	8,462.78	54,911.08	64,728.94	59,338.51	187,441.31
Refund of excess duties.....		3,897.10	9,172.57	9,682.42	22,752.09
Available for distribution:					
Fiscal agency accounts.....	254,158.79	1,287,158.73	1,481,045.12	1,630,487.76	4,652,850.40
Balance due Republic of Santo Domingo from 45 per cent fund.....				81,120.81	81,120.81
Guaranty fund for construc- tion of railroads (derived from internal - revenue fund).....			22,708.17	10,369.87	33,078.04
Payments:					
Paid Dominican Govern- ment, account internal re- venue balance.....				9,105.52	9,105.52
Jimani affair.....				655.15	655.15
Republic of Santo Domingo. Remittance under "award".....	143,882.02	1,216,428.73	1,345,757.46	1,463,217.61	4,169,285.82
Bills payable.....	2,751.43				2,751.43
Morris indemnity.....	8,167.98	5,300.00			13,467.98
Las Matas affair.....			1,126.85		1,126.85
Milburn settlement.....			5,000.00		5,000.00
Total.....	440,492.00	2,735,990.99	3,277,832.48	3,529,226.84	9,983,542.31
CREDITS.					
Gross customs collections.....	523,880.12	2,712,821.55	3,300,392.44	3,446,448.20	9,983,542.31

* Transferred from sinking-fund account to the fiscal-agency account on December 31, 1907.

LAW OFFICER.

The steadily widening activities in the Philippines, added to the administrative control of Cuba during the year, have continued to give rise to many matters involving important questions of law, and have made the demands upon the law officer of the bureau constant and serious.

CIVIL OFFICIALS IN THE PHILIPPINES.

It has long been evident to the chief of this bureau that some inducement in addition to the salaries should be offered to appointees in the insular service if the high standard of officials required is to be maintained.

Service in the Philippine Islands, however attractive the duties of the office, has serious drawbacks to the American. Few of the best officials after a few years' service in the islands can seriously contemplate an indefinite stay there. The reasons for this require no explanation.

Insular officials after years of absence from the United States find themselves at great disadvantage on their return. Far from benefiting from an honorable and trying service, they find that they can not take up again their professions or occupations at home where they left off on entering the Philippine service.

This office has devoted itself increasingly to seeking a remedy to some extent for this condition. Effort has been made with considerable success, thanks to the cooperation of the Civil Service Commission, to place returning Philippine employees in the United States service at home, but at best this remedy applies but irregularly and to certain classes of employees. The bureau therefore became convinced that the only remedy lies in placing the faithful employee after a number of years of foreign service in a pension or retired status.

Having arrived at this conclusion, there were still many difficulties in the way of its application, the removal of which required considerable study. It was clear that since the Philippines receive the advantage of this service such pensions or retired pay should be paid from the revenues of the islands. The reward must be commensurate with the service rendered and well within the power of the islands to pay without serious effort. With these principles in mind, in 1907 the chief of the bureau urged the enactment by the Philippine Commission of an act to accomplish the objects in view, and submitted as representing his views the following draft of an act:

An Act Providing for the retirement of certain civil employees of the Philippine government on part pay after ten or more years satisfactory service.

By authority of the United States, be it enacted by the Philippine Commission that:
SECTION 1. When any officer of the Philippine government shall have had ten or more years of continuous, actual, and satisfactory service he may, upon making application thereafter, be retired from active service, and when so retired he shall receive, for a number of years equal to the number of years of such satisfactory service, compensation equal to two and one-half per centum for each year's active service rendered by him, of the average current pay received annually by him during said period of active service: *Provided*, That the terms of this act shall apply only to officers receiving for ten or more years at the time of retirement an annual salary of not less than six thousand pesos: *And provided further*, That the terms of this act shall apply only to citizens of the United States

The chief of the bureau convinced himself by personal interviews that this act met the approval of practically every prominent official of the Philippine government. There was, however, one difficulty. While the chief of this bureau, pecuniarily disinterested, might with propriety urge this legislation, there was a delicacy on the part of the commission restraining them from the enactment of a law with no American precedent and of which they were naturally to be among the principal beneficiaries.

It is for the foregoing reason and the urgent necessity of the action proposed that I recommend that Congress be asked to enact a law of the nature indicated. The required expenditures would be made from Philippine revenues and would never exceed \$100,000 a year.

While this is hardly the place to explain the limitations of the proposed act, it is thought that every point is susceptible of a simple and satisfactory explanation.

PERSONNEL.**OFFICERS.**

The act of Congress of March 2, 1907, provided for the detail of an officer of the army as assistant to the chief of the bureau, with the rank of major. This provision gave legal permanency to a place theretofore filled, through necessity, temporarily by the detail of an officer on detached service from the line of the army. This act served, therefore, for a time to relieve the line of so much of the burden of detached duty as was chargeable to this bureau, and, through the detail of a captain to the vacancy thus created, enabled the additional rank to serve as a suitable reward for the additional labor inseparable from the office; but since it gave only permanency to a position already temporarily filled, it did not serve actually to increase the working strength of the bureau. The attainment of his majority, through regular promotion in the line, moreover, has recently made necessary the relief of the officer first detailed and the appointment of his successor, and directed attention to the periodical crippling of the bureau that must occur whenever the legally detailed assistant is relieved, provided no trained successor be available.

The provision for the exercise of the higher responsibilities of the bureau by officers of the army is, I believe, a wise one, not only because of their training but through their familiarity both with the administrative methods of the department and with the field of the bureau's labors. The bureau has, I believe, moreover, been fortunate in all of the selections so far made for duty therewith. Nevertheless, much of its work presents not only a mass of detail wholly outside of a military character but problems of a nature that only experience with similar problems, as well as superior individual ability, can assure correct solutions. In the present case the difficulty presented has been met temporarily under your direction through the continuance for the present on detached duty in the bureau of the officer relieved from detail under the act of 1907. But aside from the embarrassment that might have been incident merely to a change this course has been rendered necessary by the increasing volume of work flowing through the bureau. Moreover, with a constantly widening field of activities in the possessions under the administrative control of the bureau, this volume of work is not likely ever to decrease. For both these reasons, therefore, it would seem in the interests of efficiency to make legal provision for two assistants in the bureau. It is perhaps unnecessary to add that the nature of the work is such, of course, that with the limited personnel of the bureau only officers of considerable experience and known judgment can properly be charged with responsibilities affecting so many important interests; and if, therefore, as is hoped, an additional assistant can be authorized, this consideration will require provision for the accompaniment of suitable rank, such as colonel, to insure securing both the experience and qualities of mind necessary.

CLERKS.

Pursuant to the approval of the recommendation contained in my report of last year, 14 clerkships of the \$900 class were discontinued July 1, 1908, and the civilian force since that date has consisted of 71 employees, with salaries aggregating \$87,400.

With the increased activities in all the insular possessions and the additional duties falling upon the bureau, its work is steadily increasing, and with this limited force it has been difficult at times to keep the work up to date and at the same time give to employees the leave authorized by law. To insure both these results, indeed, considerable overtime work has been required during the year. To meet this condition the bureau estimates for the succeeding year, as originally submitted, included an increase in the total number of employees to 77, and in the total of the salaries to \$98,690, which latter covered also a proposed increase in the salary of a few employees, including the chief clerk and chiefs of divisions. These estimates, however, were returned with instructions not to exceed the present appropriation, and they were accordingly submitted anew without these needed changes. It should require no argument to show that the present salaries of departmental employees, fixed almost sixty years ago, can not be expected to meet present conditions, with the increase in cost of living that has occurred during the past few years. Congress has recognized this increased and increasing cost of living by liberal additions to the salaries in other branches of the Government, and it would seem only just that corresponding liberality should be shown in the cases under consideration.

Again, while some plan for the ultimate retirement with some proportional part of their pay of civil-service employees who devote the best years of their lives to the Government appears necessary to the maintenance of efficiency in the service, it can not appear wholly just to draw largely on the present limited salaries of these employees to establish the fund necessary for this purpose.

During the past year 10 clerks have left the bureau by transfer or resignation, and 2 are still with the provisional government of Cuba.

In general efficiency the office force of the bureau is believed to compare more than favorably with the average, and considering the quantity as well as the variety of work involved and the results accomplished, there remains almost without exception only high commendation for all.

Respectfully submitted.

CLARENCE R. EDWARDS,
Brigadier-General, U. S. Army, Chief of Bureau.

THE SECRETARY OF WAR.

**REPORT OF THE PHILIPPINE COMMISSION TO THE
SECRETARY OF WAR.**



ANNUAL REPORT OF THE PHILIPPINE COMMISSION TO THE SECRETARY OF WAR.

MANILA, November 3, 1908.

SIR: The Philippine Commission has the honor to submit its ninth annual report, covering the fiscal year ended June 30, 1908.

This report will not as a rule deal with matters falling within the jurisdiction of the executive departments of the government.

Reports of bureaus and departments.—Matters relating to the civil service, auditing of the accounts of the government, provincial and municipal governments, and the administration of the city of Manila, are fully covered in the reports of the bureau of civil service, the bureau of audits, the city of Manila, and the executive secretary.

In condensed form the same matters are covered in a general way by the report of the governor-general.

The reports of the bureau of lands, the bureau of health, the bureau of agriculture, the bureau of forestry, the bureau of science, and the weather bureau deal in detail with public lands, public health and sanitation, agriculture, forests and forest preservation, scientific investigations and applied science, non-Christian tribes, and meteorological conditions. In a general way these same subjects receive consideration in the report of the secretary of the interior, accompanied with such recommendations as to him have seemed proper and expedient.

Information as to public works of all kinds, the work of the constabulary, operations of the coast-guard boats and their relations to coastwise trade, the postal service, coast and geodetic surveys, and railways will be found in detail in the reports of the bureau of public works, the bureau of constabulary, the bureau of navigation, the bureau of posts, the bureau of coast and geodetic survey, and the supervising railway expert.

A concise statement of the work of these bureaus, together with recommendations as to its future development, will be found in the report of the secretary of commerce and police.

The report of the secretary of finance and justice deals with the finances of the government, internal revenue, customs receipts and customs laws, and the administration of justice. Further and more

detailed information as to all these subjects is set out in the reports of the insular treasurer, the collector of internal revenue, the insular collector of customs, and the attorney-general.

Public schools, the Philippine Medical School, the administration of prisons, public printing, and the purchasing and furnishing of supplies to the government receive due attention in the report of the secretary of public instruction and are fully considered in the reports of the director of education, the dean of the medical school, the director of prisons, the director of printing, and the purchasing agent.

Changes in the Commission.—From April 2, 1906, until July 1, 1908, the office of secretary of finance and justice continued vacant and its duties were administered by the governor-general. On December 21, 1907, the Hon. Benito Legarda, Philippine commissioner, having been elected by the Philippine Legislature as resident commissioner to the United States, resigned his position as Philippine commissioner, and from the date of his resignation until July 1, 1908, the latter office was not filled.

On May 12, 1908, the Congress of the United States authorized the increase of the Commission by one member and empowered the President of the United States to appoint an additional secretary when in his opinion such a course was necessary in the interests of the service. On July 1, 1908, the Hon. Gregorio Araneta, then attorney-general of the Philippine Islands, was appointed secretary of finance and justice to fill the vacancy in that office caused by the appointment of the Hon. Henry C. Ide as governor-general of the Philippine Islands, and the Hon. Newton W. Gilbert, judge at large of the court of first instance, was appointed as a member of the Philippine Commission vice the Hon. Benito Legarda, resigned. The additional position of member of the Philippine Commission created by Congress was filled by the appointment on July 6, 1908, of Hon. Rafael Palma, a lawyer by profession and a member of the Philippine Assembly from the Province of Cavite.

The vacancy in the office of vice-governor, caused by the appointment of the present governor-general, had not been filled at the close of the fiscal year 1908.

LEGISLATION BY THE COMMISSION.

The following are the important acts of the Commission passed during the fiscal year prior to the inauguration of the Philippine Assembly.

Act No. 1711 makes provision for the apprehension, segregation, and treatment of lepers.

Act No. 1713 empowers provincial boards to remit the collection of the land tax in their respective provinces.

Act No. 1715 appropriated ₱230,000 to meet contracts made by the government with transportation companies for the carriage of mails, government freight, and passengers for a period of not exceeding five years.

Act No. 1723 fixes the status of prisoners confined at the Iwahig penal colony and concedes to such prisoners certain privileges under conditions specified in the act.

Act No. 1724 refers to agreement made by the Secretary of War, representing the government of the Philippine Islands, and the Archbishop of Manila, representing the Roman Catholic Church, in which agreement the right of possession and the right to administer certain estates and properties are settled and adjusted.

Act No. 1726 disqualifies any person from holding public office who is under sentence of conviction for crime involving moral turpitude. It also empowers the governor-general to refuse to confirm the election of any person who in the opinion of the governor-general is morally unfit to hold public office or has a bad reputation for morality, honesty, and uprightness in the community in which he lives. Under the provisions of Act No. 1826 any ineligible person holding provincial or municipal office may be summarily removed by order of the governor-general.

Act No. 1728 creates an insurance fund for the payment of losses caused to government vessels and craft, government machinery, permanent public buildings, and government property therein caused by earthquakes, fire, lightning, flood, typhoon, tornado, hurricane, or cyclone.

Act No. 1729 creates a sinking fund for the payment of bonds issued for public works under the provisions of Acts Nos. 1301 and 1444 and authorizes the investment thereof.

Act No. 1730 makes continuing annual appropriation for the payment of the obligations of the Philippine government incurred by reason of the guaranteeing of the railroad bonds and the creation of the agricultural bank in accordance with act of Congress approved March 4, 1907.

Act No. 1733 provides for fire protection in municipalities having no fire department.

Act No. 1735 authorizes the governor-general to sign a concessionary contract for a railway line to Baguio, province of Benguet.

Act No. 1736 appropriates ₱100,000 as a reimbursable fund for the promotion of agricultural industries on the friar lands estates.

Act No. 1737 prohibits the exportation from the Philippine Islands of Philippine silver coins, and provides for the forfeiture of coins whose exportation is attempted in violation of the act.

Act No. 1739 appropriated ₱40,000 as a fidelity-bond premium fund for the purpose of reimbursing the government for losses oc-

casioned by the shortages or defalcations of officers charged with money or property responsibility.

Act No. 1746 empowers the collector of internal revenue in proper cases to revoke licenses granted for the sale of liquor.

Under this act the collector of internal revenue may, subject to appeal to the governor-general, summarily revoke a license for the sale of liquor where the privilege of such sale is abused to the injury of public morals or the public peace, or when the business is conducted in a disorderly or unlawful manner, or is a nuisance, or when the place of business is permitted to be used as a resort for disorderly characters, criminals, or women of ill repute.

In Manila the powers conferred upon the collector of internal revenue are granted by the act to the municipal board.

Act No. 1748 authorizes the governor-general to change provincial or municipal boundaries and the location of the capitals of provinces and subprovinces.

Act No. 1749 makes appropriation for the creation of a sinking fund for the payment of the friar lands bonds.

Act No. 1751 provides for the arrest and return to ship of seamen deserting from merchant vessels in the Philippine Islands.

Act No. 1754 prohibits the forging, counterfeiting, altering, or fraudulent making of obligations and securities of the United States or the Philippine Islands, circulating notes or other metal obligations.

Act No. 1757 defines gambling and gambling places and prohibits gambling.

Act No. 1760 makes it unlawful to import into the Philippine Islands any dangerous communicable animal diseases and provides measures to prevent the spread of such diseases.

Act No. 1761 makes it unlawful on and after March 1, 1908, for all persons except those specified in the act to have in their possession opium, cocaine, or alpha or beta eucaine, or any derivative of such drugs or substances.

Act No. 1767 makes permanent continuing annual appropriations to encourage the production of tobacco and to protect the interests of tobacco manufacturing industries of the Philippine Islands.

Act No. 1773 abolishes private offenses and provides for public prosecution of the crimes of adulterio, estupro, rapto, violaci3n, calumnia, and injuria.

Act No. 1778 provides the procedure to be followed in cases of forcible entry into and detainer of land or buildings.

Act No. 1779 created a board for the regulation of rates charged by public-service corporations.

Act No. 1780 regulates the importation, acquisition, possession, use, and transfer of firearms and ammunition.

Act No. 1782 provides for the establishment of manufacturing bonded warehouses.

Act No. 1790 confirmed certain rights and franchises of the Banco Español-Filipino and to amend its statutes.

Act No. 1792 provides for the proper auditing of accounts and a system of money and property accountability.

Act No. 1797 confers under certain circumstances upon officers of the United States Army the powers of peace officers.

Act No. 1798 provides for the protection of animal life and establishes a closed season during which certain animals shall not be taken as game or killed.

The following are the acts passed by the Commission under its exclusive legislative authority over the territory inhabited by Moros and other non-Christians.

Act No. 1808 empowers the governor-general to suspend within the Moro Province the provisions of the firearms law.

Act No. 1816 authorizes justices of the peace courts in the provinces of Benguet, Lepanto-Bontoc, Nueva Vizcaya, and Agusan to try violations of township ordinances and provides that the fees of justices of the peace in such cases shall be payable from township funds.

Act No. 1817 relieves the sheriffs in provinces inhabited by Moros and non-Christians from the provisions of section 23, Act No. 136, and authorizes the judge of the court to fix bond.

Act No. 1822 increases the powers of the provincial boards of Benguet, Lepanto-Bontoc, Nueva Vizcaya, and Agusan in the matter of appropriation of provincial funds.

Act No. 1823 makes the port of Davao, in the Moro Province, an entry port.

Act No. 1853 gives to the provinces of Benguet, Lepanto-Bontoc, Nueva Vizcaya, and Agusan their pro rata share of the 10 per cent of internal-revenue collections created by Act No. 1695.

RAILROADS.

Under and by virtue of the provisions of Act No. 1779 of the Philippine Commission, a board known as the "board of rate regulation," composed of the governor-general, the secretary of commerce and police, and one other person to be appointed by the governor-general, with the advice and consent of the Philippine Commission, was created and established.

This act requires the board to exercise a watchful and careful supervision over the rates of every public-service corporation and gives to the board power to fix, regulate, and reduce rates exacted by such corporations as justice to the public and to the corporation may require.

Under the provisions of this law, which has come to be known as the "rate regulation law," the board thereby created is clothed with ample powers to make all investigations necessary to acquire information as to the reasonableness of rates and to fix such rates as justice to the public-service corporation and to the public demand. The determinations of the board must be expressed in written orders and be received in the courts and by officers thereof as *prima facie* evidence that the determination was legally made and is just, right, and reasonable.

The orders of the board take effect not less than thirty days after their issuance, and continue in force for such period of time, not exceeding two years, as may be designated in the order, unless the order is suspended, modified, or set aside by the board or set aside by a court of competent jurisdiction.

This act, of course, has no application to those public-service corporations in the franchise of which there is a specific provision providing for the regulation of rates and defining the method of regulating them.

No complaints have been made to the board of rate regulation as to rates. Two complaints, however, were received by the executive touching rates, one of which came from the purchasing agent as to the rate charged for carrying certain specific articles of merchandise and the other from the supervising railway expert as to the rates charged by the Philippine Railway Company for passenger and freight traffic. The first of these complaints was adjusted between the purchasing agent and the Manila Railroad Company, and consequently there was no necessity of making any reference of the matter to the board of rate regulation. As to the second complaint, reference of the same to the board of rate regulation was postponed after a conference between the Commission, the supervising railway expert, and the governor-general in order to give the vice-president and manager of the Philippine Railway Company an opportunity to hear from the home office, to which he had referred the question of passenger and freight rates, with his recommendations for a reduction.

The Manila Railroad Company and the Philippine Railway Company have made very satisfactory progress in the construction of the railroads provided for in the concessions granted to these companies in accordance with the provisions of acts of Congress of July 1, 1902 (sec. 74), and February 6, 1905 (secs. 4 and 5).

During the year 269.5 kilometers, or 167.4 miles, of track were laid and 286.4 kilometers, or 177.9 miles, of line were opened for the transaction of business. At the close of the fiscal year there were 689.8 kilometers, or 428.4 miles, of line in actual operation, as compared with 196 kilometers, or 121.7 miles, in existence at the time of the transfer of sovereignty.

The following table shows in kilometers the grading completed, track laid, and lines opened of the various railroad and tramway companies in the islands:

	Grading completed.	Track laid.	Lines opened.
Manila Railroad Company.....	166.2	147.1	137.4
Manila Electric Railroad and Light Company.....			
Manila Suburban Railways Company.....	.7	.9	1.4
Tarlac Railway Company.....	2	2	20.6
Daet Tramway Company.....			
Philippine Railway Company.....	68	119.5	127
Total.....	236.9	269.5	286.4

The following table shows in kilometers the length of lines, not including sidings and second lines, the construction of which have been authorized by law, and the amount constructed:

	Authorized.	Constructed.		To be constructed.
		In operation.	Not in operation.	
Manila Railroad Company.....	1,100	473.3	33.1	593.6
Manila Electric Railroad and Light Company.....	45	39.8		5.2
Manila Suburban Railways Company.....	19.9	9.9		10
Tarlac Railway Company.....	20.6	20.6		
Daet Tramway Company.....	7.2	7.2		
Philippine Railway Company.....	461	127	13.4	320.6
Insular Coal Company.....	12	12		
Total.....	1,665.7	689.8	46.5	929.4

MANILA RAILROAD COMPANY.

Act No. 1510 requires the Manila Railroad Company to have 241.4 kilometers, or 150 miles, of authorized lines completed on September 12, 1909. At the close of the fiscal year the company had 183 kilometers, or 113.6 miles, of track laid, with fourteen and one-half months remaining to complete the balance of 57 kilometers, or 35.4 miles. Of this track, 150 kilometers, or 93.2 miles, are in operation, with the grading and location of the remainder well advanced according to requirements. The line from Dagupan to Camp One was completed by the Manila Railroad Company in time to handle the traffic to Baguio in April. The company has constructed a suspension bridge across the Bued River in order to connect its terminal on the west bank of the river with the Benguet road on the east bank. The great swinging bridge constructed by the Manila Railroad Company was completed early in the year and trains ran south of Manila over the bridge in March, 1908.

At the end of the fiscal year the company had completed the survey of 426.7 kilometers or 251.1 miles of railway line, 166 kilometers or 103.1 miles of grading were finished, 147 kilometers or 91.34 miles of

track were laid, and 137 kilometers or 105.12 miles of new road were properly certified to be opened for operation.

The earnings and operating expenses of the company for the calendar year 1907 were:

Gross earnings.....	₱2, 179, 532. 97
Operating expenses (including taxes).....	₱1, 001, 721. 75
Net earnings.....	₱1, 177, 811. 22
Percentage of operating expenses to gross earnings..... per cent..	45. 9
Gross earnings per kilometer.....	₱6, 467. 46
Gross earnings per mile.....	₱10, 413. 44
Net earnings per kilometer.....	₱3, 509. 12
Net earnings per mile.....	₱5, 627. 38

The following table shows the annual gross earnings of the company and the annual gross earnings per kilometer:

Year.	Gross earnings.	Gross earnings per kilometer.	Year.	Gross earnings.	Gross earnings per kilometer.
1892.....	₱238, 278. 42	₱1, 215. 70	1900.....	₱740, 135. 20	₱3, 700. 67
1893.....	508, 315. 23	2, 593. 44	1901.....	1, 321, 375. 98	6, 606. 87
1894.....	568, 589. 30	2, 900. 96	1902.....	1, 238, 235. 05	6, 191. 17
1895.....	613, 225. 06	3, 128. 69	1903.....	1, 587, 854. 93	7, 708. 03
1896.....	612, 707. 72	3, 126. 05	1904.....	1, 475, 969. 99	6, 559. 86
1897.....	733, 178. 78	3, 740. 70	1905.....	1, 694, 820. 01	6, 371. 50
1898.....	778, 340. 10	3, 891. 70	1906.....	2, 038, 075. 05	6, 368. 98
1899.....	166, 458. 65	832. 29	1907.....	2, 179, 532. 97	6, 467. 46

MANILA ELECTRIC RAILROAD AND LIGHT COMPANY.

At the close of the year the company had approximately 39.8 kilometers or 24.7 miles of main line in operation, with a total of 63.2 kilometers or 39.2 miles, including sidings and second track.

The earnings and operating expenses of the company during the past year were:

Gross earnings.....	₱1, 060, 615. 27
Operating expenses (including taxes).....	₱569, 398. 78
Net earnings.....	₱491, 216. 49
Percentage of operating expenses to gross earnings..... per cent..	53. 7
Gross earnings per kilometer.....	₱26, 648. 62
Gross earnings per mile.....	₱42, 939. 89
Net earnings per kilometer.....	₱12, 342. 12
Net earnings per mile.....	₱19, 887. 31
Total number of passengers carried.....	10, 701, 859

MANILA SUBURBAN RAILWAYS COMPANY.

The bridge which the Manila Suburban Railways Company had in course of construction over the Pasig River near Pasig collapsed on October 31, 1907, as the result of the washing away of the sustaining false work. In consequence of this disaster the company was unable to comply with the terms of its concession and complete the road on or before January 30, 1908. On January 6, 1908, however, the line

was operated from Fort McKinley to Pasig, the passengers being transferred by ferry. On June 14 of the present year the bridge was opened and the Manila Suburban Railways Company is operating from Manila to Pasig on a regular schedule. No work was done on the line of this company which runs from Fort McKinley to Taguig on the Laguna de Bay.

The earnings and operating expenses of the company during the past year were:

Gross earnings.....	₱158,432.55
Operating expenses (including percentage to the government).....	₱71,954.30
Net earnings.....	₱86,478.00
Percentage of operating expenses to gross earnings..... per cent..	45.5
Gross earnings per kilometer.....	₱16,003.29
Gross earnings per mile.....	₱25,972.55
Net earnings per kilometer.....	₱8,735.15
Net earnings per mile.....	₱14,176.72
Total number of passengers carried.....	2,078,786

PHILIPPINE RAILWAY COMPANY.

During the fiscal year the Philippine Railway Company has completed 68 kilometers or 42.2 miles of grading and has laid 119.5 kilometers or 74.2 miles of track. The company has in operation 95 kilometers or 59.4 miles of road on the island of Cebu and 32 kilometers or 19.8 miles on the island of Panay. The cost of operation is charged to the construction account and that account is credited with the earnings from operation in accordance with act No. 1497 and the resolution of the Commission adopted in February, 1907.

On the island of Cebu the whole line is, with the exception of a few sidings and yard tracks, entirely completed. The cost on the island of Cebu of 95 kilometers, or 59.3 miles of railway, amounted to \$2,411,000 United States currency, or about \$40,600 United States currency per mile. At the close of the fiscal year track had been laid in Panay to the extent of 45.4 kilometers or 28.2 miles, 32 kilometers or 19.8 miles of which was in operation. There is yet to be laid in the island of Panay 116 kilometers, or 72.2 miles of road. Owing to the condition of the money market work on this island has not been crowded, but it is sincerely hoped that the line will be as soon as possible completed to the town of Capiz. The road passes through a most fertile country, and if indications speak for anything the receipts from passenger and freight traffic should be large. The benefit to the island of Panay of having this road completed, and the reduction which it will effect in transportation for the producer can hardly be estimated. There have been preliminarily completed in accordance with resolution of the Commission 32 kilometers or 19.8 miles of track and bonds to the extent of \$1,359,000 United States currency have been issued accordingly. Heavy grading had to be done on this road and the

cost was correspondingly heavy, reaching the sum of ₱84,940 per kilometer or \$67,950 United States currency per mile. Of course in considering this cost it should not be forgotten that the 19.8 miles of preliminarily completed road is carrying the cost of extensive shops, warehouses, and buildings at the Lapus-Lapus terminus, together with other costs and expenses, which should be distributed over the line when completed.

No actual construction work has been begun on the railroad lines established for the island of Negros. The line of location from Saravia to Cabancalan has already been approved by the governor-general and a preliminary survey has been made for the line from Escalante to Saravia. The cost of constructing the line from Escalante to Saravia is so great, however, that the governor-general, the members of the Commission, and the railway company are of the opinion that it ought to be abandoned. Some members of the Philippine Assembly desire to force the construction in the interests of constituents who live between Saravia and Escalante.

TARLAC RAILWAY COMPANY.

The Tarlac Railway Company was completed and put in operation December 1, 1907. This road has a length of 20.58 kilometers, or 12.78 miles.

The company has a contract with the Manila Railway Company under the terms of which the railway company furnishes the rolling stock and operates the Tarlac Railway, receiving from the latter company a percentage of the earnings. The earnings and operating expenses for the year were:

Gross earnings.....	₱23,057.98
Operating expenses (including taxes and 50 per cent of gross earnings to Manila Railroad Company).....	₱15,747.07
Net earnings.....	₱6,971.11
Percentage of operating expenses to gross earnings..... per cent..	68.29
Gross earnings per kilometer.....	₱1,119.32
Gross earnings per mile.....	₱1,801.40
Net earnings per kilometer.....	₱338.40
Net earnings per mile.....	₱544.62

DAET TRAMWAY.

The railway has a length of 7.2 kilometers, or 4.5 miles. The earnings and operating expenses during the past year were:

Gross earnings.....	₱14,291.10
Operating expenses (including taxes).....	₱12,708.47
Net earnings.....	₱1,582.66
Percentage of operating expenses to gross earnings..... per cent..	88.9
Gross earnings per kilometer.....	₱1,984.87
Gross earnings per mile.....	₱3,175.80
Net earnings per kilometer.....	₱219.81
Net earnings per mile.....	₱351.70

HARBOR WORKS.

Manila.—As stated in the report for the previous fiscal year, the harbor works for Manila were practically completed on May 17, 1907. The dredged matter taken from the harbor was deposited behind the breakwater and this brought about the extension of the Luneta, as projected in the Burnham plan. The extension constitutes an addition to the system of city parks, and therefore it was agreed that the Luneta extension should be taken over by the city and that the insular treasury should be reimbursed for the actual cost thereof, payment to be made in seven annual installments of ₱50,000 each. The original filled-in area, which is still the property of the insular government and comprises some 200 acres, has been improved by the construction of two new roads from the Malecon drive. One of these roads leads from the drive to the new launch landing to the south of the Legaspi monument, and the other connects the Malecon drive with the new wharves, which are in course of construction on the water front of the original fill.

These two wharves, constructed of steel resting on steel tubes filled with cement, are rapidly approaching completion. In fact, wharf B is practically finished with the exception of the laying of the wooden pavement and the completion of the wharf shed. Wharf A, with the exception of the shed, will be finished some time in November. Contracts for the wharf abutments were approved November 4, and work was started November 12, 1907. The contract for the wharf sheds and wharf railways was finally awarded April 10, 1908, at the contract price of ₱181,814.775 for the sheds and ₱12,779.6836 for the railways.

The framework of the sheds is of steel and the roofs of corrugated iron. Construction of the railway and shed on wharf B was begun early in September. The construction of the shed on wharf A has been delayed by reason of the failure to furnish the material specified in the contract. It is possible that some of the material will be passed at a reduced price.

Designs and estimates have been made for the construction of the retaining wall for the Cavite boulevard, which it is proposed to carry as far as Fort San Antonio Abad. It is estimated that this work will cost ₱300,000, of which ₱100,000 is now available.

Dredging in the harbor and the Pasig River has been constant, with good temporary results. To keep the river at a proper depth at a minimum cost, however, will necessitate heavy expenditures for the purpose of straightening the river and narrowing the channel, in order that the river may be kept reasonably clear of the immense quantity of débris brought down annually by the floods.

In November, 1907, a portion of the river wall on the south side of the Pasig near the Magallanes monument fell into the river. The

failure of the wall was due to the fact that piling of sufficient length to sustain it had not been used. A portion of the wall is still in place and this has been backtied in the hope of saving it. The removal of the overturned wall was begun June 29 last, and as soon as possible a contract for rebuilding the wall and extending it to the Bridge of Spain will be let.

Cebu.—The Cebu port works were completed April 15, 1908. Final settlement has not yet been made, pending the adjustment of the claim by the government against the contractor for failure to complete his contract within the time therein specified. The matter will be adjusted, probably, by deducting from the balance due the contractor the penalty for delays not caused by modifications of the original contract or by unavoidable causes. The wharfage now available at Cebu is 2,390 feet. Along the concrete wall there is berthing for vessels of 22 feet draft and along the temporary wooden wharf built in 1904 for vessels of 28 feet draft. The total actual annual saving which will be effected by the new port works at Cebu will not be less than ₱225,000 and will probably be very much more when the inconveniences of a 400-foot haul over a loose fill are obviated.

Iloilo.—By Act No. 1650 ₱170,000 was made available for building a part of the quay wall and the Muelle Loney. The contract for this wall was let May 9, 1908, and an additional ₱100,000 was made available by Act No. 1837, for the continuance and extensions of the work.

PHILIPPINE COAL SUPPLY.

During the fiscal year a very considerable quantity of Philippine coal has been used by government vessels. Its efficiency is less than that of Australian coal, but its low price makes its use economical. The coal is obtained from one mine in Batan, Albay, the output of which does not exceed at present 60 tons daily. It is hoped that in the near future the daily product will be increased by several hundred tons and that the quality will improve as the mine is developed. Adjacent to this mine the United States Army is developing another deposit which bids fair to produce large quantities of very good coal. At Danao, near Cebu, considerable capital has been invested in the development of coal fields and there are great hopes that in the near future coal for most purposes will be produced in sufficient quantities to meet the demands of local consumers.

ROADS AND BRIDGES.

In the fiscal year 1908 there was appropriated ₱1,326,225 for roads and bridges, of which ₱826,225 were for specific projects and ₱700,000 for distribution among the provinces in the discretion of the secretary of commerce and police. In addition, 10 per cent of the internal revenue, amounting to ₱378,985 for the fiscal year 1908,

was made available for road and bridge funds of provinces adopting the double cedula, one-half of which double cedula is required by law to be devoted to the construction and maintenance of roads and bridges. Including insular and provincial unexpended balances from prior fiscal years, transfers from current appropriations for the bureau of public works, the double cedula, 10 per cent of the internal revenue, miscellaneous sources, and the above appropriation, there was available for the construction, repair, and maintenance of roads and bridges a grand total of ₱4,225,818, excluding municipalities and the city of Manila, of which there was expended ₱1,542,661, leaving an unexpended balance brought forward into 1909 of ₱2,683,157. For the fiscal year 1909 ₱1,500,000 were appropriated by Act No. 1837 for the construction, improvement, and, where necessary, maintenance of roads and bridges in provinces adopting the double cedula. This was in addition to the sum of about ₱750,000 set apart from internal revenue receipts and made available for roads and bridges to those provinces adopting the double cedula.

IRRIGATION.

By Act No. 1688, and in addition to a special appropriation of ₱11,775 for the restoration of irrigation systems in Nueva Vizcaya, a reimbursable appropriation of ₱250,000 was made for irrigation purposes, said sum to be allotted to the provinces in the discretion of the secretary of commerce and police. Owing to the lack of reliable data, want of engineers, and the necessity for a careful study of the projects on which this very small sum could be expended to the best advantage, no active construction work was done during the year 1908. The shortage in the rice crop, caused by the failure of the rains to come at the proper time, brought home to the Filipino people and especially to the Philippine Assembly the necessity of restoring abandoned irrigation systems and of building new ones. Accordingly, a reimbursable appropriation of ₱500,000 was made by the Legislature for the restoration of old irrigation systems and the building of new systems, the cost to be reimbursed by an acreage charge for water furnished. In addition to all this, Act No. 1854 provides for an annual reimbursable appropriation of ₱750,000 for irrigation purposes, beginning with the year 1910. The sums so appropriated do not include the sums of ₱45,000, appropriated in 1907, and ₱60,000, appropriated in 1908, for irrigation on the "friar lands estates."

ARTESIAN WELLS.

In view of the fact that a pure water supply is so necessary to the public health, the insular government has undertaken the task of sinking artesian wells in those localities which suffer most from

lack of good potable water. In many places it has been proved to a demonstration that the sinking of wells and the securing of a supply of good water has resulted in an immediate beneficial effect on the health of the people and a prompt reduction in the death rate, a reduction, by the way, which in some places has reached 50 per cent. Act No. 1837 appropriated the sum of ₱150,000 for the boring of artesian wells, to be allotted in the discretion of the secretary of commerce and police. Localities recommended by the director of health as most in need of wells from the sanitary point of view have the preference and receive first attention. Two methods of boring wells are used—one, with a powerful well-boring apparatus, capable of perforating at a great depth strata of the hardest formation, and the other with a hydraulic jet which does excellent work at lesser depths. In places where the jet can be used that system is preferred, because a well may be sunk for about one-tenth of the expense resulting from the use of the more complicated, cumbersome, and costly apparatus.

SCHOOL BUILDINGS.

School construction.—Under the provisions of Acts Nos. 1275, 1580, and 1688 the sum of ₱1,000,000 was appropriated for school construction, and all of this sum has been apportioned among the various provinces with the exception of ₱2,531.26. The allotments are as follows:

For provincial high schools.....	₱330,275.00
Intermediate schools.....	279,628.00
Schools of arts and trades.....	131,312.99
Agricultural schools.....	69,500.00
Industrial schools.....	93,300.00
Domestic science and dormitories.....	64,200.00
School of fishery.....	23,252.75
School of pottery.....	6,000.00
Total.....	997,468.74

The total amount allotted does not represent the total cost of these edifices. To their construction the provinces, municipalities, and the people themselves have voluntarily contributed large sums. In fact provinces and municipalities were required to contribute liberally in order to secure an allotment.

There have been constructed in the Philippine Islands since the creation of the present bureau of education 2,696 schoolhouses of all kinds: In the year 1903, 479; 1904, 754; 1905, 464; 1906, 298; 1907, 269, and in 1908, 432. According to the best information obtainable there were 726 public schools in the islands prior to American occupation.

CONDITIONS AS TO PEACE AND ORDER.

It is eminently gratifying to be able to state that from July 1, 1908, to the date of making this report, a state of complete peace and public tranquility has existed throughout the Archipelago with the exception of some slight disturbances caused by the raids of lawless dattos and brigands in the Moro Province. It is a little too much to expect that the Moro, whose life has been one of lawlessness, who believes slavery just and proper, who gives just that respect to his neighbor's life and his neighbor's property which that neighbor's power and ability to defend them exacts, to whom war and the pillage resulting are as breath to his nostrils, should yield between two days to the new dispensation which gives freedom to the human chattel and requires first and last and all the time the maintenance of public order and due respect for life and property. Time, patience, and justice, protection of the weak against the strong, and the training of the rising generation will solve the Moro problem.

In the provinces of Bataan, Bulacan, Pampanga, Pangasinan, Tarlac, Nueva Ecija, and Zambales there are but two bandit chiefs at large, Felipe Salvador and Miaco, the constabulary deserter who led the jail delivery in Bataan in 1907. Neither of these outlaws has been at all aggressive during the year, but until they are captured or otherwise disposed of they constitute a menace to the peace and order of the district. The dispersion of Avila's band near the Ragay Gulf, the capture of Guinacha and Ugas in Albay, and the capture and punishment of a considerable number of the followers of Argas and Deseo in Tayabas have ridden the constabulary district composed of the provinces of Tayabas, Ambos Camarines, Albay, and Sorsogon of organized bands of ladrones. Nevertheless, Esteban Deseo, of Tayabas, and Valerio Avila, of Ambos Camarines, are still at large and there is always danger of their acquiring a new following. In Samar conditions have improved very greatly during the past year. Several important followers of Otoy's pulahanes have been taken or were killed while resisting capture. Conditions making for peace and order in this province are more promising now than at any other time since American occupation. However, until Otoy surrenders or is captured or killed, constant vigilance and the keeping of him on the move will be required to prevent the rallying of a new following and a renewal of the disturbances of three years ago. During the year outlaw bands were conspicuous by their absence in the provinces of Antique, Capiz, Cebu, Leyte, Negros Occidental, and Negros Oriental. Alcachufas, with one revolver and a few followers, is hiding in Cebu, passing on occasions probably to the island of Negros. In Iloilo there are two outlaw bands of at least 20 men each, with a

total of 18 firearms about equally divided. The organization in this province from time to time of small bands who hope to gain an easy livelihood by stealing carabaos and raiding helpless barrios and small municipalities may be expected until old-time ladrones who like the business have been rendered harmless by old age or prison walls. In the provinces of Bohol, Batangas, Benguet, Cavite, Mindoro, La Union, Ilocos Sur, Ilocos Norte, Cagayan, Isabela, Lepanto-Bontoc, and the subprovinces of Abra, Apayao, Bontoc, Kalinga, Lepanto, and Amburayan, no organized bands of outlaws made their appearance during the year. In the province of Lepanto-Bontoc and in the subprovinces of Apayao and Kalinga there was some head-hunting, some 44 heads having been taken. This is considered a decided improvement over the times when hundreds of heads were taken annually by the fierce people of these districts. It is worthy of note that the people of rancherias which had been at war for a hundred years or more mix in friendly fashion, and that the Ifugao and the Bontoc, who have been deadly enemies since the time that the memory of man runneth not to the contrary, are now engaged in trading. Ifugao visits Bontoc and Bontoc visits Ifugao without fear or reserve and barter and exchange are teaching both the lasting benefits of peace. The provinces of Surigao and Misamis have given no trouble during the year. With the exception of the killing of Napal Pastor and Mr. Ickis, of the bureau of science, who went unaccompanied and unguarded into the country of the wild people, no untoward event has occurred in the recently created province of Agusan. The murder of Ickis and Pastor seems to have been inspired by the belief of the murderer that he would thus avenge the death of his father who died in jail during the Spanish régime. The capture of Salif Aguil, who was responsible for the uprising in the island of Basilan during the present year and for the killing of two American lumbermen, Vermont and Case, in December, 1907, seems to have put an end to organized outlawry in the Zamboanga district of the Moro Province. In Jolo there are still a few outlaws under the leadership of Jikiri making trouble. In the Lanao district of the Moro Province conditions are not so favorable as those existing within the districts of Cotabato, Davao, Sulu, Zamboanga, and Jolo. In the district of Lanao there are five bands of outlaws numbering in all from 200 to 400 men, armed with 134 firearms of all kinds. In an attempt to capture the leader of one of these bands Governor Gard was wounded in February last. Of all the Moros in the Moro Province those of Lanao are the most intractable, the least reliable, and the most difficult to deal with.

FINANCIAL.

The income from taxation collected by the insular government and its political subdivisions during the fiscal year was as follows:

Insular government.....	₱21,018,985.67
Provincial governments.....	4,442,381.36
City of Manila.....	1,572,756.46
Municipal governments.....	2,116,125.00
Total.....	29,150,248.49

On the basis of the census of 1903 the per capita contribution to the support of the government was \$1.91 United States currency. The amount which the Philippine government has to spend per capita for the purposes of government is less than that of any other civilized country in the world, as will be seen from the comparative statement of taxation and debt herewith:

THE GOVERNMENT OF THE PHILIPPINE ISLANDS,
EXECUTIVE BUREAU,
Manila, April 13, 1908.

Comparative statement of the per capita taxation and debt of the Philippine Islands, the United States, and the principal foreign countries of the world.

Country.	Population.	Revenue from taxation.	Debt.	Per capita taxation.	Per capita debt.
Philippine Islands.....	7,635,26	₱30,484,662.70	₱21,000,000.00	₱3.99	₱2.75
Austria.....	26,150,710	921,566,830.80	1,526,685,163.50	35.22	58.38
Hungary.....	19,254,60	440,269,851.00	2,085,786,434.20	22.86	108.28
Belgium.....	6,693,50	247,420,278.00	1,120,662,480.00	36.64	167.39
Bulgaria.....	3,744,280	37,345,686.00	109,363,254.00	9.97	29.19
Denmark.....	2,464,770	40,956,683.60	132,298,712.70	16.62	53.63
France.....	38,961,450	1,373,286,362.00	11,810,519,196.00	29.75	303.22
Germany.....	56,367,180	1,121,130,979.50	1,451,481,507.00	19.94	25.73
Greece.....	2,433,000	27,925,100.00	321,090,000.00	11.56	131.84
Italy.....	32,961,000	736,924,902.00	4,909,910,761.00	22.29	148.86
Japan.....	48,850,120	616,000,000.00	2,250,000,000.00	12.61	46.05
Netherlands.....	5,347,000	130,489,030.00	930,976,130.00	24.40	174.08
Portugal.....	5,423,130	116,209,768.50	1,663,732,700.00	21.40	306.77
Roumania.....	5,912,320	96,703,551.00	550,069,962.00	16.33	93.00
Russian Empire.....	129,004,320	2,214,100,420.00	6,660,230,341.80	17.14	51.60
Servia.....	2,279,440	27,464,287.20	161,460,274.10	10.61	62.49
Spain.....	18,618,000	397,420,877.00	3,761,417,562.00	21.37	201.88
Sweden.....	5,198,750	100,296,840.00	187,406,611.00	19.29	36.00
Norway.....	2,240,030	47,599,160.00	141,937,348.00	21.33	63.26
Switzerland.....	3,315,440	41,725,645.50	35,089,390.00	12.56	10.86
Turkey.....	23,028,000	165,750,258.10	1,221,680,724.10	7.17	52.02
Great Britain.....	41,961,000	1,474,685,341.00	7,767,937,716.00	35.14	185.11
United States.....	76,303,400	1,135,970,689.00	4,464,579,655.90	14.91	58.28

NOTE.—Data for the Philippine Islands are for the fiscal year 1907, taken from the report of the insular auditor. Data for the United States and foreign countries are taken from the Statesman's Year Book of 1904, the statistics being for the most part for the fiscal year 1902-3, the latest available data at hand in the executive bureau at present. However, as Japanese data covering a period prior to the war with Russia are now entirely inapplicable, the data for that country are taken from an authoritative article in the Contemporary Review (London, February, 1908). In the United States and many other countries the figures as to revenue which are given in the table do not include the revenue derived from local and municipal taxation, which if included would materially increase the figures given, and in the case of the United States would notably increase them. The revenue given for the Philippine Islands, however, includes the total income of the insular government and of all provincial and municipal governments in the islands. British pounds sterling have been reduced to Philippine currency at the rate of one to ₱9.73. Per capita taxation for 1908, ₱3.82.

The following is a comparative statement of the income and expenditures of the insular government for the fiscal years 1907 and 1908:

	1907.	1908.
Customs revenue.....	₱16,592,447.28	₱16,035,783.60
A decrease of.....		556,663.68
Internal-revenue receipts.....	5,369,149.24	4,917,831.88
A decrease of.....		451,317.36
Percentage of franchises, sales and rents of public lands, interest on deposits and other income.....	771,256.74	779,537.21
An increase of.....		8,280.47
Total income.....	22,784,514.55	21,798,522.88

A net decrease of income for 1908 of ₱985,991.67.

Net expenditures from revenue:

Executive department, Philippine Commission, Philippine Assembly, executive bureau, bureau of audits, bureau of civil service..	₱1,752,113.50
Department of the interior, bureau of health, quarantine service, weather bureau, bureau of forestry, bureau of science, bureau of lands, bureau of agriculture.....	2,277,295.96
Department of commerce and police, bureau of constabulary, bureau of posts, bureau of navigation, coast and geodetic survey, supervising railway expert, bureau of public works, consulting architect.....	6,247,216.81
Department of finance and justice, treasury bureau, bureau of justice, bureau of internal revenue, bureau of customs.....	1,634,369.82
Department of public instruction, bureau of education, bureau of prisons, Philippine Medical School	3,868,114.40
Judiciary.....	620,487.40
Miscellaneous expenditures.....	355,176.33
Fixed charges, interest on public works and permanent improvement bonds.....	282,662.50
Reserve sinking fund, public works and permanent improvement bonds, fiscal year 1908.....	142,848.44
Reserve for sinking fund, interest on public works and permanent improvement bonds, fiscal year 1907 and prior fiscal years.....	404,204.13
Interest on friar lands bonds, fiscal year 1908, less receipts on account of rentals.....	296,662.51
Reserve for sinking fund, friar lands bonds less receipts on account of rentals.....	128,629.39
Reserve for sinking fund, fiscal year 1907 and prior fiscal years.....	331,184.93
Interest on Philippine Railway bonds	113,418.07
Contribution to the city of Manila.....	1,246,224.60
Aid to provinces.....	1,683,639.94
Expended for public works from insular revenue.....	1,059,511.56
Current accounts.....	1,516,964.65
Total expenditures.....	22,589,571.29

Brief statement of income and expenditures, and amount available for expenditure, June 30, 1908.

Cash balance, June 30, 1907.....	₱11,853,658.93	
Receipts from revenue for 1908.....	21,798,522.88	
Other cash assets brought into account.....	1,517,074.65	
	<hr/>	₱35,169,256.46
Expenditures.....	22,589,571.29	
Loan to city of Manila.....	350,000.00	
	<hr/>	22,939,571.29
Cash balance, June 30, 1908, available for expenditure, as distinguished from amount available for appropriation.....		12,229,685.17

Surplus available for appropriation.

Balance unappropriated June 30, 1907.....	₱6,694,051.64	
Revenues of 1908.....	21,798,522.88	
Other receipts.....	599,480.16	
Unexpended balances reverted to the surplus.....	2,549,421.54	
	<hr/>	₱31,641,476.21
Appropriations during the year 1908.....		28,149,999.67
		<hr/>
Balance available June 30, 1908, for appropriation.....		3,491,476.54

REPORT OF THE PHILIPPINE COMMISSION.

The balance sheet of the insular government at the close of business.

Assets.	June 30, 1908.	June 30, 1907.
Cash in the treasury and depositaries.....	P 44,342,678.86	P 50,117,681.94
Cash in the hands of collecting and disbursing officers.....	2,747,346.25	2,465,673.69
Real estate.....		P 52,583,355.63
Permanent improvements, including equipment brought into account.....		13,903,287.21
Current assets:		5,476,634.44
Moro Province, account current.....	47,570.05	a 654,304.99
City of Manila, Luneta extension loan.....	250,000.00	b 454,378.28
Due from United States mints (gold standard fund).....	3,380,341.77	4,039,573.34
Due from Philippine Railway Company (interest advanced).....	113,418.07	
Bonds and mortgages.....	1,572,673.86	
Supplies (unexpended).....	3,146,817.92	
Total.....	8,512,821.67	77,110,503.89
LIABILITIES.		
Bonded debt:		
Gold standard fund certificate.....		2,000,000.00
Friar lands bonds.....	14,000,000.00	14,000,000.00
Public works and permanent improvement bonds.....	7,000,000.00	7,000,000.00
Silver certificates outstanding.....		22,000,000.00
Depository funds.....		21,640,708.00
Sinking fund to retire friar lands bonds:		7,912,528.00
Cash.....	288,325.83	
Investments.....	916,772.89	711,901.53
Sinking fund to retire public works and permanent improvement bonds:		711,901.53
Cash.....	258,285.91	
Investments.....	288,706.66	
Refundable export duties.....		547,052.57
Provincial and municipal internal revenue.....		643,184.80
Morocco fund.....		54,146.04
Postal savings bank funds:		941,621.46
Cash.....	697,197.99	
Investments.....	336,140.55	
Constitutional pension fund:		
Cash.....	89,981.70	
Investments.....	30,993.79	101,661.15
Total.....	120,975.46	

Gold standard fund.....	(552,366.41)	720,620.55	
Mints account.....	3,380,341.77	4,030,573.34	
Less bonded debt (supra).....		2,827,975.36	
Congressional relief fund.....			2,760,202.89
Interest accrued and unpaid.....			206,335.90
Outstanding obligations of bureaus and offices.....			464,766.67
Miscellaneous trust funds.....			63,125.23
The city of Manila:			
Revenue account.....	14,425.02		
Appropriation account.....	289,036.34	183,546.77	
Luneta extension loan.....	40,970.89	40,970.89	
Sewers and waterworks fund.....	1,473,901.57	3,709,449.00	
Sewers and waterworks sinking fund.....	200,063.82	80,592.44	
Warrants outstanding.....			4,014,550.70
Principal account.....			278,272.91
Surplus:			1,640,043.18
Appropriated.....	8,738,208.63	5,189,607.29	
Available for appropriation.....	3,461,476.54	6,731,828.66	
Total.....		12,229,665.17	11,891,435.97
		79,121,449.74	77,110,503.89

b Account current.

a All provinces.

The Commission begs leave to renew the specific recommendations made by it in its annual report for the fiscal year 1907. These recommendations, with the specific reasons for them, will be found on page 64, volume 1, of the report of the Philippine Commission for 1907.

Respectfully submitted.

JAMES F. SMITH, *President.*
DEAN C. WORCESTER,
T. H. PARDO DE TAVERA,
W. MORGAN SHUSTER,
GREGORIO ARANETA,
NEWTON W. GILBERT,
RAFAEL PALMA,
Commissioners.

To the honorable the SECRETARY OF WAR, *Washington, D. C.*

REPORT OF THE GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR-GENERAL.

MANILA, November 2, 1908.

GENTLEMEN: The governor-general begs leave to submit for your consideration the seventh annual report of the operations of the various provincial governments and the work accomplished by the bureaus and offices under his executive control during the fiscal year 1908.

BUREAU OF CIVIL SERVICE.

EXAMINATIONS.

There were examined by the bureau of civil service 6,333 persons, as compared with 5,764 during the fiscal year 1907. Excluding examinations for skilled laborer, 4,223 of the applicants were examined in the English language, as compared with 3,720 for the previous year. Of those examined in English, 522 were Americans and 3,701 Filipinos, an increase of 623 Filipinos and a decrease of 120 Americans as compared with the number examined in English during the previous year. Of the 3,701 Filipinos examined in English, 1,133, or about 31 per cent, passed. During the fiscal year 1907, out of 3,078 Filipinos examined in English only 631, or about 21 per cent, qualified. Of the total number of Americans examined in English during the present fiscal year, 300, or 57 per cent, passed. This was a better showing than that made during the preceding fiscal year, when only 322 Americans out of 642, or less than 50 per cent, obtained an eligible rating. These returns show a material reduction in the number of Americans applying for positions in the Philippine service, and better qualifications, together with a material increase in the number of Filipino applicants. During the year 1,975 Filipinos took their examinations in the Spanish language. Of this number 742, or 38 per cent, passed, as compared with 1,863 examined during the preceding year, of whom 675, or 36 per cent, passed.

Examination for junior surveyors.—The great demand for surveyors by the bureau of lands and the court of land registration made it necessary in the interest of economy to create, if possible, a corps of competent Filipino surveyors selected from young men well grounded in mathematics and having already some theoretical

knowledge of surveying. A junior surveyor examination was therefore established with the object in view of certifying the eligibles to the bureau of lands where, under the direction and supervision of a competent surveyor, they might acquire in the field the practical knowledge necessary to convert them into capable and efficient surveyors. As a result of this junior surveyor examination, which was held in June of this year, 8 eligibles were selected, all of whom were sent to the bureau of lands, and, that they might acquire the knowledge which only the practical work can give, were promptly assigned for service with field parties actually engaged in making government surveys. A junior computer examination was also established, but out of 22 applicants only 6 passed.

Stenographic examination.—Two Filipinos succeeded in passing the stenographic examination in English and 3 in Spanish.

Government students.—Of the first 100 Filipino students sent to the United States some four years ago, about 60 have returned to the islands. Two of those returning passed the teachers' examination and 3 the first-grade examination. Ten of the 60 obtained eligible ratings in lower-grade examinations. Some of them have utterly failed to pass even the lower-grade examinations and a few have declined to take any examination at all. This showing is very disappointing, to say the least, and it is now evident that it was hardly worth while to send the young men in question to the United States. Inasmuch, however, as they were selected by favor and not as the result of competitive examination, as was subsequently required of all applicants for government scholarships, it is hardly fair to judge of the whole policy by the unfavorable showing made by the young men who were appointed without any test as to mental fitness.

APPOINTMENTS.

During the year 4,156 appointments were made to the classified civil service, as compared with 3,812 for the preceding year. Of the total number of appointments 282 were made in the United States, or 79 less than in the year 1907. This does not include some 23 persons who were appointed in the United States without a civil-service examination and 19 of whom were constabulary officials. During the year 907 original appointments to the classified service were made in the islands, as compared with 550 for the previous year, and 2,967 appointments resulting from promotions, reductions, transfers, or reinstatements, as compared with 3,059 for the year ended June 30, 1907. Of the 907 appointments made in the islands, 774 were Filipinos, as against 430 for the previous fiscal year. From the English register 419 of the 774 were taken, as compared with 204 for the preceding year, and 355 from the Spanish register, as compared with 226 for the period last mentioned. The number of

Americans appointed in the islands was 133, as compared with 120 during the year 1907. Of the 282 appointments made in the United States 30 were reinstatements of former employees who had left the service and 8 were transfers from the United States classified civil service to the Philippine classified civil service. Of those appointed in the United States 9 were accountants, 3 agricultural inspectors, 2 assistants, 8 clerks, 1 bacteriologist and pathologist assistant, 1 assistant chemist, 1 deputy surveyor of customs, 3 draftsmen, 2 draftsmen-cartographers, 1 division superintendent of schools, 22 civil engineers, 1 fireman, 1 assistant forester, 1 district health officer, 1 inspector of machinery, 1 assistant librarian, 1 photo-engraver, 4 nurses, 1 proof reader and reviser, 1 patrolman, 1 printer, 25 stenographers and typewriters, 25 surveyors, 159 teachers, and 7 veterinarians.

Each year shows a gradual increase in the proportion of Filipinos and a gradual diminution in the number of Americans employed by the government. Entering the service as junior clerks, junior stenographers, junior typewriters, junior translators, junior draftsmen, junior surveyors, junior computers, junior compositors, Filipino teachers, and similar positions, the Filipino, under competent supervision, becomes a useful public servant and gradually fits himself to fill the subordinate positions and offices made vacant by separations from the service of American officials and employees.

FILIPINOS SUBSTITUTED FOR AMERICANS.

The practice of importing from the United States clerks and subordinate officials required by the government is decidedly expensive, and bureau chiefs, after a long trial, have finally become convinced of the wisdom of substituting Filipinos for Americans as rapidly as vacancies occur in subordinate clerical positions and Filipinos qualified to fill them can be found. Filipinos are now employed in the most responsible positions in the government and are thoroughly capable. For the present, nay, for many years to come, this substitution must be largely confined to subordinate positions in the government, not because the educated Filipino can not be intrusted with responsible work, but because the number of eligibles for the higher civil-service appointments must of necessity continue inadequate until education and training along modern lines shall have increased the number of those capable of passing the civil-service examinations for the higher places.

NUMBER OF AMERICANS AND FILIPINOS IN THE SERVICE.

The following table will show the number of Americans and Filipinos in the service on January 1 of the years 1903, 1904, 1905, 1907, and 1908, the total salaries paid, and the average salary.

Comparison of the number of American and Filipino officers and employees having a permanent status in the service and the salaries paid on January 1, 1903, 1904, 1905, 1907, and 1908.

Year.	Officers and employees.			Salaries paid.			Average salaries.		
	Americans.	Filipinos.	Total.	Americans.	Filipinos.	Total.	Americans.	Filipinos.	Total.
1903.....	2,777	2,697	5,474	₱7,236,700	₱2,189,376	₱9,426,076	₱2,605.94	₱811.76	₱1,721.96
1904.....	3,228	3,377	6,605	8,663,720	2,932,834	11,596,554	2,693.92	868.48	1,755.72
1905.....	3,307	4,023	7,330	8,942,424	3,309,738	12,252,162	2,704.08	822.70	1,671.51
1907.....	2,616	3,902	6,518	7,869,242	3,234,494	11,103,736	3,008.12	828.93	1,703.55
1908.....	2,479	4,080	6,559	7,749,236	3,686,855	11,436,091	3,125.95	903.64	1,743.54

This table includes American and Filipino officials of the constabulary, but does not include the enlisted strength of that body, 4,600 in number. Neither does the table include the members of the Assembly nor the officials and employees thereof. With less than 6,000 persons in the classified service, the original appointments made during the fiscal year reached the large number of 1,151, and this after seven years of striving to secure permanency in the service.

The director of civil service is of the opinion that the average salary paid to Filipino employees is too high. I must disagree with him in his conclusion. The salary now received by the Filipino employee is unquestionably far and away and above and beyond anything that he could have dreamed of during the former régime. Experience, however, has shown that officials in government positions must be well paid or the temptation will prove irresistible to a considerable number to eke out their meager salaries by devious and reprehensible means. The average salary now paid to the Filipino employee is about \$37.50 gold per month. The average salary paid in the United States is nearly twice that much. The cost of living, moreover, has been greatly increased since American occupation and a government employee who has a proper respect for himself and his surroundings can no longer make ends meet on a salary which under the former régime would have been considered princely.

CONSOLIDATION OF THE BUREAU OF CIVIL SERVICE WITH THE BUREAU OF AUDITS.

A bill passed the Assembly consolidating the bureau of civil service with the bureau of audits. This bill was considered unwise by the Philippine Commission inasmuch as it destroyed the independence of the bureau and reduced one of the most important branches of the government to a subordinate and secondary position. Consideration of the bill was, therefore, indefinitely postponed. Any danger that the bureau of civil service will be consolidated with any

other bureau or that it will be in any way hampered or inconvenienced in carrying out the work for which it was organized is very remote. The establishment of an honest and efficient civil service was one of the most important instructions given to the Philippine Commission. There is but little danger that anything will be wittingly done to impair its efficiency or to diminish its value to the government.

For further and more complete details of the operations of the bureau of civil service reference is hereby made to the report of the director of civil service, which is hereto annexed, marked "Exhibit No. 1," and made a part hereof.

BUREAU OF AUDITS.

Under the authority contained in Act No. 1792 of the Philippine Commission, enacted October 12, 1907, the ordinary commercial system of audit before payment as practiced by large corporations in the United States was made a feature in the method of making governmental disbursements.

The income of the Philippine government and its political subdivisions resulting from taxation was as follows:

Insular government.....	₱21,018,985.67
Provincial governments.....	4,442,381.36
City of Manila.....	1,572,756.46
Municipal governments.....	2,116,125.00
Total.....	29,150,248.49

The tax income of the government on the basis of the census of 1903 is at the rate of \$1.91 gold for each inhabitant of the islands.

The fiscal affairs of provinces and municipalities are dealt with in this report under the heading of "Executive bureau."

The following table shows the transactions during the fiscal year 1908 affecting the surplus account:

RECEIPTS.

Revenues:	
Customs.....	₱16,035,783.60
Internal revenue.....	4,917,831.88
Franchises.....	65,370.19
Miscellaneous.....	779,537.21
	₱21,798,522.88
Other receipts affecting surplus:	
City of Manila account-current.....	454,378.28
Loans to provinces brought into account.....	844,441.77
Part payment, Luneta extension loan (city of Manila).....	100,000.00
30 per cent of city of Manila appropriation balances reverted.....	73,042.72
Moro Province account-current.....	45,101.88
Repayment military government appropriation.....	110.00
	1,517,074.65
Total revenue and receipts.....	23,315,597.53

EXPENDITURES.

Executive department.....	₱1,752,113.50	
Department of the interior.....	2,277,295.96	
Department of commerce and police.....	6,247,216.81	
Department of finance and justice.....	1,634,369.82	
Department of public instruction.....	3,868,114.40	
The judiciary.....	620,487.40	
Miscellaneous general expenses.....	355,176.33	
Fixed charges.....	1,699,609.97	
Contribution to city of Manila.....	1,246,224.60	
Aid to provinces.....	1,683,639.94	
Public works from revenue.....	1,059,511.56	
	22,443,760.29	
Other disbursements affecting the surplus:		
Capital operations, excess of expenditures.....	145,811.00	
Reimbursement of public works and permanent improvements fund (bond issue) for loan to city of Manila.....	350,000.00	
Total expenditures.....		₱22,939,571.29
Excess of receipts over expenditures.....		376,026.24

The following shows the condition of the surplus account June 30, 1908:

Balance June 30, 1907.....	₱6,694,051.64	
Receipts from all sources.....	24,947,424.57	
		₱31,641,476.21
Appropriations during the year 1908.....		28,149,999.67
Balance available for appropriation June 30, 1908.....		3,491,476.54

The following is a brief statement of income and expenditures and amount available for expenditure on June 30, 1908:

Cash balance June 30, 1907.....	₱11,853,658.93	
Receipts from revenue.....	21,798,522.88	
Other cash assets brought into account.....	1,517,074.65	
		₱35,169,256.46
Expenditures.....	22,589,571.29	
Loan to city of Manila.....	350,000.00	
		22,939,571.29
Cash balance available for expenditure June 30, 1908.....		12,229,685.17

The balance sheet of the insular government June 30, 1908, was as follows:

The balance sheet of the insular government at the close of business.

	June 30, 1908.	June 30, 1907.
ASSETS.		
Cash in the treasury and depositaries.....	₱44,342,678.86	₱50,117,681.94
Cash in the hands of collecting and disbursing officers.....	2,747,346.25	2,465,673.69
	47,090,025.11	52,583,355.63
Real estate.....	13,910,929.41	13,908,257.21
Permanent improvements, including equipment brought into account.....	9,607,673.55	5,475,634.44

The balance sheet of the insular government at the close of business—Continued.

	June 30, 1908.	June 30, 1907.
ASSETS—continued.		
Current assets:		
Moro Province, account-current.....	P 47,570.05	• P 654,304.99
City of Manila, Luneta extension loan.....	250,000.00	• 454,378.28
Due from United States mints (gold-standard fund).....	3,380,341.77	4,039,573.34
Due from Philippine Railway Company (interest advanced).....	113,418.07	.....
Bonds and mortgages.....	1,572,673.86	.....
Supplies (unexpended).....	3,148,817.92	.....
	8,512,821.67	.....
Total.....	79,121,449.74	77,110,503.89
LIABILITIES.		
Bonded debt:		
Gold-standard fund certificate.....		2,000,000.00
Friar lands bonds.....	14,000,000.00	14,000,000.00
Public works and permanent improvement bonds.....	7,000,000.00	7,000,000.00
	21,000,000.00	23,000,000.00
Silver certificates outstanding.....	18,883,699.00	21,540,708.00
Depository funds.....	6,010,240.33	7,912,526.00
Sinking fund to retire friar lands bonds:		
Cash.....	288,325.83	711,901.53
Investments.....	916,772.89	.....
	1,205,098.72	.....
Sinking fund to retire public works and permanent improvement bonds:		
Cash.....	258,285.91	.....
Investments.....	288,766.66	.....
	547,052.57	.....
Refundable export duties.....	643,184.80	831,048.66
Provincial and municipal internal revenue.....	54,149.04	508,789.41
Money-order funds.....	941,621.46	585,025.02
Postal savings bank funds:		
Cash.....	697,197.99	510,081.64
Investments.....	336,140.55	.....
	1,033,338.54	.....
Constabulary pension fund:		
Cash.....	89,981.70	101,681.18
Investments.....	30,993.76	.....
	120,975.46	.....
Gold-standard fund.....	(552,366.41)	720,629.55
Mints account.....	3,380,341.77	4,039,573.34
	2,827,975.36	4,760,202.89
Less bonded debt (supra).....		2,000,000.00
		2,760,202.89
Congressional relief fund.....	99,227.36	296,335.90
Interest accrued and unpaid.....	549,940.46	464,766.67
Outstanding obligations of bureaus and offices.....	503,186.83	.....
Miscellaneous trust funds.....	427,076.99	63,125.23
The city of Manila:		
Revenue account.....	14,425.02	.....
Appropriation account.....	289,030.34	183,546.77
Luneta extension loan.....	40,970.89	40,970.89
Sewers and waterworks fund.....	1,473,901.57	3,709,449.60
Sewers and waterworks sinking fund.....	200,093.82	80,592.44
	2,018,427.64	4,014,559.70
Warrants outstanding.....	2,713,611.40	278,272.91
Principal account.....	7,312,958.61	1,640,043.18
Surplus:		
Appropriated.....	8,738,208.63	5,159,607.29
Available for appropriation.....	3,491,476.54	6,731,828.68
	12,229,685.17	11,891,435.97
Total.....	79,121,449.74	77,110,503.89

• All provinces.

• Account current.

DEFALCATIONS.

There were but two defalcations of importance during the year, one by the customs cashier, who was found short in his accounts to the extent of ₱18,658.36, and Charles K. Kosel, an employee of the bureau of lands, also found short in the sum of ₱2,255.29. The customs cashier, Reiser, was convicted and sentenced to eight years imprisonment. From this sentence he took an appeal to the supreme court, but before the appeal was reached on the docket he withdrew it and is now serving his sentence in Bilibid. Kosel was acquitted on a showing which created a reasonable doubt in the mind of the court as to whether Kosel really had appropriated the money or whether the money had been stolen from him. Some private information which I have received and which I am prevented from using gives color to the defense set up by Kosel that he had not taken the money and to his claim that the money had been stolen.

For a further and more detailed report as to the financial operations of the insular, provincial, and municipal governments reference is hereby made to the report of the insular auditor, which is hereto annexed, made a part hereof, and marked "Exhibit No. 3."

EXECUTIVE BUREAU.

CHANGES IN THE BUREAU.

On January 30 of this year Mr. Arthur W. Fergusson, executive secretary, died suddenly, to the great sorrow of all in or out of the government service. The following announcement of his death, made to the Philippine Commission by the President thereof on the morning of January 31, recites the services rendered by him to his country, both at home and abroad:

Mine is the sorrowful duty of announcing to the Commission the sad and sudden death of Arthur W. Fergusson, executive secretary of the Philippine Islands.

From the time of his graduation from Georgetown University as master of laws in 1886 until he left his office in this building at 5 o'clock last evening, the life of Arthur W. Fergusson has been one of activity and usefulness to his country and to his fellow-men. He practiced law in Washington, D. C., from 1886 to 1891, and while following his profession acted as the official interpreter of the International American Conference of 1889 and of the International Railway Commission of 1891. He was secretary of the International Monetary Commission and continued in that office until he was called upon to serve the United States-Chilean Claims Commission and the United States-Venezuelan Claims Commission in a similar capacity. At the time of the breaking out of the Spanish-American war Mr. Fergusson had rendered such notable service as translator for the Bureau of American Republics, which was established as a result of the Pan-American Congress, that he was selected for the most important post of official interpreter to the American members of the Spanish-American Peace Commission, which negotiated the treaty of Paris in the year 1898. While acting in this capacity his tact, lovable personal qualities, and splendid command of both English and Spanish won the high regard of the Spanish plenipotentiaries, and on the motion and at the

suggestion of Señor Montero Rios, their president, he was made the official interpreter of the Peace Commission. To his ability, his justice, and his impartiality no higher tribute could be paid than this. As a natural sequence of all these services Mr. Fergusson became the Spanish secretary of the United States Philippine Commission in April, 1900, and subsequently the executive secretary of the Philippine Islands. In this of all the posts held by him he rendered the most valuable services to his country. Ever tactful, ever kind, ever generous, ever just, he of all men was probably the best fitted to carry to the hearts of the people of the Philippines the friendly sentiments of the Philippine Commission and to impress the people of the islands with confidence in the benevolent intentions of the American Government. The value of the fifty-two days of service rendered by him during the journey of the Philippine Commission through the various provinces for the purpose of establishing civil government can not be adequately measured at this date. Suffice it to say that his interpretations were clothed with the true feelings of the Commission and bred a trust in the United States and its beneficent policy which smoothed away a thousand difficulties and made possible that harmony and good understanding without which the solution of a very difficult problem would have been impossible.

All flags were half-masted until after the funeral, and the Legislature adjourned as a token of respect to the memory of the deceased.

On March 24 of this year Mr. Frank W. Carpenter, assistant executive secretary, was appointed to fill the vacancy in the office of executive secretary caused by the death of Mr. Fergusson, and his appointment was confirmed by the Philippine Commission effective as of February 1.

During the year 27 Americans and 45 Filipinos have been separated from the bureau by resignation, transfer, or otherwise, and there have joined the bureau by appointment or transfer 21 Americans and 46 Filipinos. The total personnel of the bureau on June 30 last, exclusive of janitor's force, numbered 140, of whom 37 were Americans and 103 Filipinos, as compared with 43 Americans and 102 Filipinos for the fiscal year 1907.

PROVINCIAL GOVERNMENTS.

Legislation affecting provincial governments.—The province of Romblon, after several years of trial, conclusively demonstrated that, due to insufficient revenues, it could not further continue as a separate provincial government. In view of this fact Romblon was reduced by act No. 1665 to the grade of a subprovince and annexed to the province of Capiz.

As the island of Marinduque seemed to receive but little attention from the provincial government of Tayabas, and as practically none of the taxes collected in that island were spent for its benefit, it was given the status of a subprovince by act No. 1649, and 75 per cent of the revenues collected in the island were required by the act to be spent for the benefit of the subprovince.

The island of Siquijor, which was a part of the province of Oriental Negros, received but little or no attention from provincial

officials except at election times, and in five years but ₱1,000 out of the ₱75,000 collected in revenues was spent for the benefit of the people of the island. This island was made a subprovince by act No. 1753, and 75 per cent of the taxes collected in it are required by law to be spent for its benefit.

Certain portions of the uplands and mountains of the provinces of Misamis and Surigao, on the island of Mindanao, are inhabited either by pagans or by peoples half-Christianized and something less than half-civilized. To them but little care or attention has been given since American occupation, and indeed it may be said that they were left largely to their own devices and to the mercy of the Christian and civilized inhabitants of the valleys. The provincial governments took little pains to give protection to these wild or semiwild peoples, and no pains whatever to improve their social or economic condition. Nay, more, the exploitation of these unfortunates by the people of the lowlands and the abuses of which they were the victims were winked at, if not approved, by the very officials who should have been the first to protect them. In view of the fact that the provincial governments could not be provoked to energy in shielding these dwellers of the forest and the mountain from the pernicious activities of the readier valley man and would not take an interest in their social and economic advancement, the Commission deemed it wise to create a new province covering the territory inhabited by these simple people and to place them directly under the control and protection of insular officials. Accordingly the province of Agusan, with the subprovinces of Butuan and Bukidnon, was created by act No. 1693, and to the new province was given a government similar to that conceded to the pagans and non-Christians of northern Luzon.

In Samar, also, the mountain and upland people seem to have been regarded as legitimate prey for exploitation by their civilized brothers of the lowlands. Indeed, the terrible pulahan outbreak of some years ago was caused in a large measure by the unconscionable plundering and exploitation to which they were subjected by the people of the playa. The pulahan is not a robber or a thief by nature—quite the contrary. He is hard working, industrious, and even frugal. He had his little *late* of hemp on the side of the mountain, and breaking out his picul of hemp, he carried it hank by hank for miles and miles over almost impassable mountain trails to the nearest town or barrio. There he offered it for sale, and if he refused the price tendered, which was generally not more than half the value, he soon found himself arrested on a trumped-up charge, and unless he compromised by parting with his hemp he found himself, after paying his fine and lawyer's fees, without either hemp or money. Sometimes urged by misfortune or necessity, he was compelled to borrow a

few pesos to meet the urgent needs of the moment, and his hemp land, to the value of ₱500 or ₱600 or even ₱1,000, was conveyed by *pacto de retro* to the lender as security for the ₱20 or ₱30 loaned. If the amount borrowed was not paid upon the day agreed, the lender held the borrower to the letter of the bond without grace or mercy, and thus became the owner of the *late*. Of his mistreatment, of the injustice suffered by him, of the outrages to which he submitted, the pulahan said nothing to superior authority, because his experience for many generations had been that if he did complain his second condition might prove much worse than his first. He therefore suffered in patience until his accumulated wrongs wore his patience to a rag, and then he took the law into his own hands. The uprising gave the first notice to the government of "for ways that are dark and tricks that are vain" to which the mountain men had long bowed in helpless submission. The pulahan outbreak was suppressed and the Commission, in view of all the circumstances, deemed it wise to impose upon somebody the special duty of looking after the so-called pulahanes of Samar and of devoting himself especially to their protection and betterment. Accordingly, the position of lieutenant-governor of the province of Samar was created by act No. 1759, and Lieutenant Sulse, a constabulary officer who came highly recommended, was nominated for that office. He is a Filipino who speaks the dialect of the people, and while he was a constabulary officer he seems to have gained the confidence and trust of the simple people of the district, which has been designated as the field of his special activities. Whether Lieutenant Sulse will meet expectations and secure the results hoped for by the government remains to be seen. If he proves tactful, just, and impartial in his dealings with the mountain men his administration will prove a success and bring about a condition which ought to result in the capture of Otoy and the permanent tranquility of the province.

Changes in composition of provincial board.—In the annual report for 1907 attention was called to the fact that the Philippine Commission, after a thorough consideration of the matter, had conceded to the people the privilege of electing two members of the provincial board. This reform placed the provincial government in the hands of a body the majority of the members of which were elected instead of appointed by the executive, as theretofore. This was a most important step in the training and preparation of the Filipino people for local self-government, but one which seemed to be fully justified by the condition of general peace which prevailed throughout the organized provinces and by the experience resulting from five years of civil government. The provincial boards as originally constituted were composed of a provincial governor, elected by the vice-presidents and municipal councilors, and of a provincial treasurer and a provincial

supervisor appointed by the executive with the consent of the Commission. In process of time it developed that, owing to lack of funds, the supervisor, who was charged with the duty of building public roads and carrying on all other public works of the province, had little or nothing to do. His salary and traveling expenses were in the majority of the provinces a heavy burden, not to say a useless one—a burden by the way which resulted in no corresponding advantage to the province save that of his membership in the provincial board and his participation in its deliberations. The office of supervisor was therefore abolished, and engineers, under the jurisdiction of the bureau of public works, were assigned to districts composed of two or more provinces. This effected the double purpose of making the salary expense lighter and of furnishing enough money to keep the engineer officer reasonably busy. As the district engineer was not and could not be conveniently made a member of the provincial board, the vacancy in the board caused by the abolition of the office of supervisor was filled in most of the provinces by making the superintendent of schools a member of the board. This proved to be highly unsatisfactory, principally because the divided attention dedicated to two important offices resulted in the proper performance of the duties of neither. Moreover, in the majority of the provinces, the two members of the board appointed by the governor-general were constantly at loggerheads with the provincial governor, who was elected by the people. As the governor was usually elected on a platform of extensive public improvements and no taxes, the temptation was great to throw on the appointed members the responsibility of collecting taxes and of failing to carry out public works which could not be paid for. Even when public works were undertaken so little money was spent on them that they lacked permanency, and this brought the supervisor into disrepute.

The executive bureau was beset with complaints from the provincial governors as to the conduct of one or the other, and sometimes both, of the appointed members of the provincial board. The provincial treasurer was the especial *bête noir* of the provincial governor and in time came to be regarded as the malign influence in the board to which every evil of the province might safely be attributed. Every removal of a municipal official, every remedy which it was sought to apply to existing abuses in municipal governments, lost half if not all its effect by reason of the fact that it was considered to be the act of the American members of the board and induced by prejudice or ill will.

The concession to provincial governments of two elective members on the board introduced a new factor into the situation, and as a result the treasurer, the only remaining appointive member, has been made an arbitrator to decide the differences which not infrequently

arise between the governor and the third member, who has his ambitions. With two elective members on the provincial boards the pestiferous political agitator is stripped of half his power for harm. Provincial boards are charged with responsibility for the condition of public highways, bridges, public buildings, and the maintenance of schools, and under the new dispensation they have found it impossible to remain passive while the demagogue is preaching the doctrine that taxation is unjust and that governments can live without money. Faced by charges of official neglect if they fail to construct and maintain necessary roads and bridges, if they permit public buildings to deteriorate for lack of repairs, or if they allow schools to be closed for lack of money, they and their friends and partisans have been compelled to take the field and cultivate a public sentiment in favor of the taxation which will make possible the advancement of their provinces along modern lines.

Out of 33 provinces, 31 refused to suspend the land tax for the year 1908. The majority of them retained the percentage of the land tax required for schools, roads, and bridges and suspended the percentage which might be used for general purposes. In all, only four provinces, Cavite, Bulacan, Tarlac, and Nueva Ecija, refused to double the cedula tax for the construction and maintenance of good roads and bridges. In passing, it may be said that for the fiscal year 1909 only one province, Antique, has refused to double the cedula in the interest of its highways and land transportation.

The land tax, the double cedula for the creation of a road and bridge fund, and the making of public improvements are vital to the prestige of the provincial governments and they can no longer be used by selfish politicians to breed distrust of the insular government and to create passive resistance to measures designed for the advancement and betterment of the country and its peoples.

The policy of the insular government has been to give to provincial governments very large powers with reference to local affairs, but at the same time it exacts from such governmental entities strict responsibility for all administrative acts and judges of the efficiency of provincial officials and of provincial boards by the results obtained. Hitherto the great difficulty in the administration of provincial governments has been the disposition of the majority of the boards to spend more money than was justified by the provincial income. The preparation of an annual budget by provincial governments, the requirement of a monthly financial statement, and the frequent inspection by a corps of district auditors have served to avoid provincial bankruptcy.

Removals.—During the year but one provincial official was removed for cause. The district auditor discovered that the governor of Occidental Negros had collected from the provincial treasury on

false vouchers moneys for the transportation and subsistence of prisoners, which had not been expended by him, but by the municipalities which had sent the prisoners to the provincial jail under guard. Further investigation developed that this governor not infrequently availed himself of transportation furnished by private parties and that on the vouchers signed by such parties he collected the amount from the provincial treasury, but failed to pay the parties who furnished the transportation. He was removed from office and disqualified for life from holding any public office in the islands.

Provincial receipts and disbursements.—The revenue of the various provinces amounted to ₱4,442,557.61; miscellaneous receipts to ₱375,691.81; a total of ₱4,818,249.42; balance on hand July 1, 1907, ₱1,500,620.22, making a total on hand or received of ₱6,318,869.64.

In the balance of ₱1,500,620.22 is included ₱5,382.62 Mexican currency reduced to Philippine currency. It does not include, however, ₱551,996.69 of insular funds appropriated for provincial works and general purposes. The balance on hand June 30, 1907, as reported in the last annual report was ₱2,047,808.91 Philippine and ₱5,382.62 Mexican currency. Reducing the Mexican to Philippine currency, the total amount on hand, inclusive of insular funds appropriated for provincial purposes, was ₱2,052,586.91. The following comparative statement will show the condition of provincial treasuries on June 30, 1907, and June 30, 1908:

Comparative statement, provincial accounts, fiscal years 1907 and 1908.

	1908.			
	Provincial (1907).	Provincial funds.	Insular funds.	Total.
DEBITS.				
Balances from previous year (Mexican reduced to Philippine currency).....	₱ 1,982,571.51	₱ 1,500,620.22	₱ 551,996.69	₱ 2,052,586.91
Revenues.....	2,579,262.48	4,442,557.61		4,442,557.61
Miscellaneous receipts:				
Insular appropriation in lieu of land tax.....	889,002.40	231,100.70		231,100.70
Insular appropriations—				
Refundment of court fees.....		70,723.36		70,723.36
Loans to provinces.....	246,000.00		196,666.67	196,666.67
Loans to provinces for municipal purposes.....			64,000.00	64,000.00
Aid to provinces for public works and general purposes.....	204,608.84	18,834.45	1,097,768.85	1,116,603.30
Repayments of loans to municipalities.....	34,325.85	19,774.52		19,774.52
Transfers from provincial funds to insular funds in payment of insular loans (Act No. 1815).....			100,320.79	100,320.79
Transfers from insular funds.....		5,038.50		5,038.50
Transfers from municipal funds.....		673.54		673.54
Miscellaneous.....	47,002.66	29,546.74		29,546.74
Total miscellaneous receipts.....	1,420,939.75	375,691.81	1,458,766.31	1,834,448.12
Total debits.....	5,982,773.74	6,318,869.64	2,010,723.00	8,329,562.44

Comparative statement, provincial accounts, fiscal years 1907 and 1908.—Continued.

	Provincial (1907).	1908.		
		Provincial funds.	Insular funds.	Total.
CREDITS.				
Expenditures for general purposes and public works.....	₱3,703,554.76	₱3,596,975.16	₱955,801.98	₱4,552,777.14
Miscellaneous credits:				
Loans to municipalities.....	32,500.00	15,820.00		15,820.00
Repayment of insular loans.....	88,229.86	9,040.56	5,959.44	15,000.00
Payments to municipalities.....	9,900.00		30,443.54	30,443.54
Advanced to customs disbursing officers, Moro Province.....	82,763.23			
Transfers to insular funds in payment of insular loans (Act No. 1815).....		100,320.79		100,320.79
Transfers to provincial funds.....			5,038.50	5,038.50
Transfers to municipal and township funds.....	11,688.58	8,631.27	575.85	9,207.12
Refundment to insular appropriations.....			14,157.95	14,157.95
Miscellaneous.....	1,550.40	2,745.59	742.96	3,488.55
Total miscellaneous credits.....	226,632.07	136,558.21	56,918.24	193,476.45
Balance, June 30.....	2,052,586.91	2,585,336.27	998,002.78	3,583,339.05
Total credits.....	5,982,773.74	6,318,869.64	2,010,723.00	8,329,592.64

The totals in this table for the fiscal year 1907 do not agree with the totals as given in the annual report for 1907, because Mexican currency has been reduced to Philippine currency, and because in the miscellaneous receipts is included the amount of ₱641.95 customs collections in the Moro Province which were accounted for by insular officers and therefore not carried in the provincial accounts in last year's report.

For salaries and traveling expenses of officials there was expended ₱1,596,385.93, as compared with ₱1,562,740.90 during the fiscal year 1907. For permanent equipment, which comprises in great part road machinery, there was expended ₱234,162.86, and for material and services in the construction and maintenance of public works, ₱1,154,309.01, of which latter sum ₱964,301.11 was for roads and bridges and the balance for public buildings.

The total expenditure of provincial governments out of provincial funds and insular funds appropriated for provincial public works and general purposes, was ₱4,552,777.14, as compared with ₱3,703,554.76 for general purposes and public works during the fiscal year 1907.

The balance of provincial funds on hand June 30, 1908, was ₱2,585,336.27, and the balance of insular funds on hand in provincial treasuries available for provincial public works and general purposes ₱998,002.78, a total of ₱3,583,339.05 provincial and insular funds available for provincial public works and general purposes.

The total expenditure for miscellaneous purposes was ₱136,558.21 of provincial funds, and ₱56,918.24 of insular funds appropriated for provincial purposes, a total of ₱193,476.45.

There will be a very large sum available in the various provinces of the archipelago during the fiscal year 1909 for the construction of roads, highways, bridges, and other public works. This balance should be expended as quickly as possible in order that the money collected from the people may be promptly returned to circulation for the carrying on of the business and industries of the islands. The great difficulty at present encountered in carrying into effect the various works projected is the want of engineers. The director of public works has been making strenuous efforts to obtain not less than 18 additional engineers, and it is hoped that his efforts in that behalf will be successful.

The following table shows the financial operations of the provinces for the fiscal year just ended:

Summary of provincial fiscal affairs for year ended June 30, 1908.

	Provincial.	Municipal.	Insular.
CREDITS.			
Balances July 1, 1907.....	P 1,500,620.22	P 161,404.12	P 551,906.69
Revenues:			
Registry of property.....	17,631.90		
Mining claims.....	3,106.00		
Interest on deposits.....	52,608.53		
Interest on loans to municipalities.....	210.00		
Prison labor.....	69,603.12		
Sales of industrial school products.....	1,363.51		
Rental of provincial property.....	2,686.99		
Fares provincial launches.....	405.18		
Recorder's fees, Act No. 1766.....	65.81		
Demand draft premiums, Act No. 1636.....	12.72		
Justice of peace fees, Act No. 1396.....	1,154.45		
Sheriff fees.....	37.52		
Miscellaneous.....	1,474.65	56,961.50	
Cart tax.....	31,750.51	32,388.24	
Land tax, 1905 and previous years.....	172,437.13	211,604.81	
Land tax, 1908.....	188,915.70	237,830.49	
Industrial tax.....	154.06	154.01	
Cedulas, Act No. 83.....	1,366.50	1,361.50	
Franchise taxes.....	557.90	2,222.32	
Internal revenue—			
Cedulas.....	2,224,880.00	914,072.90	
Weights and measures.....	10,207.79	10,198.14	
Licenses.....		311,515.02	
Opium certificates.....		54,965.04	
Percentage from insular treasury.....	1,075,368.82	1,130,409.83	
Rental of ferries.....	61.00		
Road tax, Act No. 1396.....	48,254.00		
Road tolls.....	3,650.90		
Voluntary contributions.....	24,240.84		
Moro Province—			
Miscellaneous taxes.....	143,594.48		
Customs collections.....	363,341.91		
Receipts, customs arrastre plant.....	3,274.60		
Fisheries.....		165,729.28	
Cattle registration.....	21.00	235,183.84	
Rents, profits, and privileges.....		687,966.04	
Licenses.....		385,304.72	
Fines.....		45,469.23	
Sales of stray animals.....		24,916.00	
Cemetery.....		14,259.00	
Justice of peace collections.....		145,948.60	
Property tax.....		23,014.22	
Escheats, Act No. 190.....		6,062.38	
Water tax (Moro).....		525.25	
Frontage tax (Moro).....		1,518.03	
Latrine (Moro).....		2,718.80	
Street cleaning (Moro).....		528.75	
Edible bird's nests, Act No. 1760.....	120.00		
Total revenues.....	4,442,557.61	4,703,587.03	

Summary of provincial fiscal affairs for year ended June 30, 1908.

	Provincial.	Municipal.	Insular.
Miscellaneous receipts:			
Appropriation in lieu of suspended land tax, Act No. 1886.....	P231,100.70	P332,662.74	
Refundment of court fees, Act No. 1764.....	70,723.36		
Repayments of loans by municipalities.....	19,774.52		
Refurbishment Province of Bulacan, Act No. 1660.....	2,334.45		
For restoration of public order, Provinces of Cebu, Leyte, and Samar, Act No. 1660.....	16,500.00		
Sale of provincial jail building—			
Capi.....	10,000.00		
Mindoro.....	6,250.00		
Sale of "Tribunal de Mestizos," Rizal.....	1,000.00		
Refundment of advances to customs officers (Moro) fiscal year 1907.....	555.54		
Voluntary contributions of municipalities.....	11,731.20		
Aid to municipality of Cotabato.....		500.00	
Insular funds for disbursements by provincial treasurers for provincial public works and general purposes.....			P1,097,768.85
Insular loans to—			
Provinces.....			196,666.67
Municipalities.....			64,000.00
Transfers from provincial funds to—			
Municipal funds.....		8,631.27	
Insular funds.....			100,320.79
Transfers from municipal funds to provincial funds.....	673.54		
Transfers from insular funds to—			
Provincial funds.....	5,038.50		
Municipal funds.....		575.85	
Total miscellaneous receipts.....	375,091.81	342,350.86	1,458,756.31
Total.....	6,318,869.64	5,207,351.01	2,010,723.00
DEBITS.			
Expenditures:			
Salaries—			
Governor—			
Office.....	241,099.40		41,523.45
Jail guards.....	83,262.87		2,241.16
Treasurer—			
Office.....	564,834.30		23,210.59
Foremen, etc.....	39,376.91		6,379.43
Third member provincial board.....	20,137.00		
Fiscal's office.....	113,358.47		941.64
District health officer.....	59,404.59		248.97
District auditor's office.....	24,522.56		234.33
Miscellaneous.....	38,406.23		8,588.75
Officials and employees, Moro Province.....	279,321.53		262.17
Travel expense and per diems—			
Governor.....	18,671.06		1,799.02
Treasurer.....	13,283.46		1,413.20
Fiscal.....	4,191.20		225.30
Miscellaneous.....	81,292.65		8,117.17
Moro Province.....	15,233.70		
Sheriff fees.....	9,066.98		203.48
Court fees.....	25,726.14		320.00
Office supplies.....	68,750.94		4,917.45
Postage (mail and telegrams).....	47,081.24		1,473.91
Premiums surety bonds.....	12,597.78		328.59
Rentals for buildings.....	47,103.11		507.00
Maintenance of prisoners.....	126,229.36		4,931.68
Permanent equipment.....	234,162.86		24,385.21
Purchase of land.....	8,284.56		7,974.46
Alterations, repairs, and maintenance of—			
Buildings.....	51,781.39		10,921.63
Bridges.....	45,914.45		9,675.96
Construction of—			
Buildings.....	103,022.99		419,803.90
Bridges.....	256,601.01		41,075.19
Construction and maintenance of roads.....	612,190.78		305,075.85
Miscellaneous.....	127,081.84		27,451.40
Payment to Insular government (expenses customs service, fiscal year 1905, Moro Province).....	45,000.00		
Aid to municipality of Cotabato (Moro).....	500.00		
Ship subsidies (Moro).....	74,352.73		
Stock supplies (Moro).....	14,750.56		
San Ramon Farm (Moro).....	5,592.12		
Labor and material (Moro).....	49,594.87		1,571.09
Repair and construction of buildings (Moro).....	35,203.52		
Total expenditures.....	3,596,975.16		955,801.98

Summary of provincial fiscal affairs for year ended June 30, 1908.—Continued.

	Provincial.	Municipal.	Insular.
Miscellaneous charges:			
Loans to municipalities.....	P15,820.00		
Losses, Act No. 1848.....	473.07		
Losses, section 41, Act No. 1402, and section 49, Act No. 1792.....	1,541.62	P273.79	
By revenue—			
Voluntary contributions.....	176.25		
Miscellaneous.....	4.75		
Customs collections (Moro).....	549.90		
Sales of rice, congressional relief.....			P742.96
Repayment of loans to insular government.....	9,040.56		5,959.44
Payments to municipalities (municipal and township revenues).....		5,137,566.70	
Refund unexpended balances appropriation.....			14,157.95
Payments to municipalities—			
Friar lands estates, Act No. 1679.....			23,343.54
From salaries of municipal teachers' fund, Act No. 1406.....			7,100.00
Transfers to provincial funds from—			
Insular funds.....			5,038.50
Municipal funds.....		673.54	
Transfers to municipal funds from—			
Provincial funds.....	8,631.27		
Insular funds.....			575.85
Transfers to insular funds from provincial funds.....	100,320.79		
Total miscellaneous.....	136,558.21	5,138,514.03	56,918.24
Balances June 30, 1908.....	2,585,336.27	68,836.98	998,002.75
Total.....	6,318,869.64	5,207,351.01	2,010,723.00

In considering the foregoing statement it should be remembered that the Mexican currency heretofore carried as such in the annual reports has been reduced to Philippine currency, and that the item of exchange of currency has been omitted in both sides of the account. In effect, the provinces redeemed Mexican currency at the rate of 130 and sold Mexican currency to the insular treasury at the same rate. Consequently this item was omitted from the accounts.

Loans to provincial governments.—At the close of the fiscal year there was due to the insular government on account of loans to provinces and municipalities from insular and congressional relief funds about P1,000,000. The making of these loans, in the opinion of the executive, was very ill-advised and bred a sense of dependence and helplessness in the provinces and municipalities which was not favorable to the development of a proper sense of governmental responsibility. Indeed, the policy of loaning to provinces and municipalities whenever money was required for any special purpose, created the impression that municipal and provincial governments could live without taxation, and that laws imposing taxes for the support of insular, provincial, and municipal governments was but little short of an outrage. So long as provinces were not confronted with the stern proposition of raising money for their own support and for the betterment of provincial and municipal conditions, just so long was the agitator and professional politician left unopposed in his campaign against taxation.

These loans were canceled on condition that every year a certain percentage of the amount loaned would be appropriated from provincial funds for permanent public works. This measure was a serious injustice to those provinces which paid their debts when they became due and gave to the delinquents a financial advantage of which prompt paying and nonborrowing provinces were deprived. All that can be said in its favor is that it put the insular government in the position of refusing further loans, that it wiped the slate clean, and gave some guarantee that the money which had been loaned and forgiven would be used for public improvements.

MUNICIPAL GOVERNMENTS.

Legislation affecting municipalities.—As a rule, municipal governments are disposed to incur greater obligations than they can possibly pay, and to spend their entire annual income on salaries. The financial administration of municipalities, while still very far from being satisfactory, has been much remedied by frequent official inspection of accounts and by the law which limits the salary and wage expenditure to a certain percentage of the annual receipts, which is graded according to the class of the municipality.

Under the provisions of Act No. 1691, first-class municipalities may spend not more than 50 per cent, second-class not more than 60, third-class not more than 65, and fourth-class municipalities not more than 75 per cent of their annual income for salaries and wages to officials and employees, other than those engaged on public works. The governor-general has power under this act to permit municipalities to exceed this percentage, but the permission is never conceded except in extraordinary cases or when such grave emergencies as epidemics or public disasters require an increased allowance for salaries and wages.

Act No. 1733 constitutes the police force of each municipality a fire department and requires that the police be regularly exercised and trained in the duties and work of firemen. It also makes provision for the enrollment and training of volunteer firemen selected from able-bodied male residents of the municipalities. The number of volunteer firemen, however, can not exceed the number of regular police appointed in the municipality. Volunteer firemen attending 75 per cent of the fire drills are entitled to a refund of the cedula tax. Every municipality by this act is required to provide and keep in a convenient place at least 24 buckets, 12 ladders of suitable lengths, 6 ropes with hooks attached of suitable size and length, 24 bolos, 12 axes, and a crosscut saw. This apparatus is simple, but if used promptly will ordinarily prevent the spreading of a fire and confine it to a very limited area. Municipal officials who fail to provide fire

apparatus and to organize the police into a fire department are held guilty of official neglect and are punished as the circumstances may justify.

It may be said that outside of the city of Manila prior to the passage of this act, 99 per cent of the municipalities had no fire departments of any kind, and what was worse, no implements, apparatus, or equipment of any kind to extinguish fires. Every year, and especially during the dry season, great loss and suffering was caused by fires, the majority of which could have been readily extinguished by a disciplined fire organization equipped with the very simplest of implements and apparatus.

Removals.—The removals were 47 presidents, 17 vice-presidents, 4 secretaries, 6 treasurers, 72 councilors, 31 justices of the peace, 8 auxiliary justices of the peace, 4 lieutenants of police, 1 sergeant of police, 3 policemen, and 1 lieutenant of barrio, a total of 194 municipal officials, who were accused and found guilty of administrative offenses and crimes, ranging from bad language, neglect of duty, inefficiency, and gambling, to larceny, malversation of funds, extortion, bribery, and forgery. Neglect of duty seemed to be the most common failing. Abuse of authority followed, with 37 cases, and gambling was a good third, with 29. There were 15 cases of extortion, and 15 cases of breach of trust and malversation of public funds.

Number of municipalities.—There are in the Philippine Islands, inclusive of the Moro Province, 655 municipalities, 65 townships, and 188 settlements. The following table will show the number and nationality of municipal and township officers:

Municipal and township officers.	Americans.	Filipinos.	Total.
Presidents.....	6	708	714
President-secretaries.....	1	5	6
Vice-presidents.....	2	714	716
Vice-president-treasurers.....		4	4
Secretaries.....	2	620	622
Treasurers.....	1	621	622
Secretary-treasurers.....		94	94
Councilors.....	3	6,632	6,635
Justices of the peace.....	10	629	639
Auxiliary justices of the peace.....	1	602	603
Notaries public, appointed by the courts, including Manila.....	56	1,131	1,187
Total.....	82	11,780	11,862

Of the municipal officials 0.0069 are Americans and 0.9931 Filipinos. Last year 0.0077 were Americans and 0.9923 Filipinos.

Financial condition of municipal governments.—The fiscal year for municipalities begins on January 1 and ends on December 31. For the year 1907 the total revenue of municipalities was ₱3,641,345.47 to the credit of the general fund, ₱505,889.76 to the credit of the school fund, and ₱15,818.74 to the credit of the cemetery fund.

Receipts from sources other than revenue, such as the money received from the insular treasury in substitution of 50 per cent of the suspended land tax, loans from the provinces, etc., amounted to ₱349,861 for the general fund, ₱586,996.15 for the school fund, and ₱3,984.77 for the cemetery fund. Adding to the revenue and the miscellaneous receipts the balance on hand January 1, 1907, the total money on hand during the year in municipal treasuries was ₱5,081,523.68 to the credit of the general fund, ₱1,898,441.65 to the credit of the school fund, and ₱30,608.57 to the credit of the cemetery fund.

For the year 1906 the municipalities received from revenues ₱3,755,408.98, and from miscellaneous sources, inclusive of moneys received from the insular treasury in full substitution of the suspended land tax, ₱611,145.39, a total of ₱4,366,554.37 received for general purposes by municipalities from revenues and miscellaneous sources, as compared with ₱3,991,206.47 received by municipalities to the credit of the general fund during the year 1907 from revenue and miscellaneous sources.

In 1907 the receipts by municipalities from revenue and miscellaneous sources fell off ₱375,347.90. This falling off was due to, first, the receipt in 1906 from the insular treasury by municipalities of the full amount of the suspended land tax, whereas in 1907 the municipalities received but 50 per cent of the suspended tax; second, the municipalities received less money from the internal revenue in 1907 than in 1906, because the revenues for the last quarter of 1905 were paid in the year 1906; third, in 1906 there was a large collection of delinquent taxes, whereas in 1907, owing to the fact that there was a smaller delinquent list, collections from that source fell off approximately from ₱224,693.76 in the previous year to ₱113,604.84 in 1908. There were also less collections from opium certificates, internal-revenue licenses, cattle registration, fines, sales of estrays, etc. This enormous falling off in collections was compensated to some slight degree by increased collections from cedula, cart tax, fisheries, rents, profits and privileges, municipal licenses, and weights and measures. The balance on hand to the credit of the municipal general fund on January 1, 1906, was ₱606,047.02, which, added to the receipts for the year from revenue and miscellaneous sources, gave a grand total of ₱4,972,601.39 available for expenditure out of the general fund. The balance on hand to the credit of the municipal general fund on January 1, 1907, was ₱1,090,317.21, which, added to the receipts from revenue and miscellaneous sources, gave a grand total of ₱5,081,523.68 available for expenditure out of the general fund. During the year 1907, therefore, the municipalities had in the treasury to the credit of the general fund and available for appropriation ₱108,922.29 more than was available for the same purpose in

the year 1906. In 1906 the municipalities received from revenues to the credit of the school fund ₱624,829.70 and from the land tax, which was paid by the insular government, and from transfers from the general fund and other sources, ₱840,222.54, a total of ₱1,465,052.24 paid into the school fund from revenue and miscellaneous sources. During the year 1907 the school fund received from revenues ₱505,889.76, and from miscellaneous sources, inclusive of 50 per cent of the land tax paid by the insular treasury, ₱586,996.15, a total of ₱1,092,885.91, which was a falling off of ₱372,166.33 from the receipts of the preceding year. The balance to the credit of the school fund on January 1, 1906, was ₱447,550.96, which, added to the total amount received for the school fund during the year from revenue and miscellaneous sources, made a grand total of ₱1,912,603.20, which was available during the year 1906 for schools. The balance to the credit of the school fund on January 1, 1907, was ₱805,555.74, which, added to the school fund receipts from revenue and miscellaneous sources during the year, gave a total of ₱1,898,441.65, which was available for expenditure for schools during the year 1907, or about ₱14,166.55 less than was available for the same purpose during the previous year.

From these statistics it is clear that the schools suffered from the suspension of the land tax, and it is not too much to say that if the insular government had not come to the aid of the schools by giving them a larger proportion of the internal revenue, a great number of the municipalities would have had to close their schools and education would have received a setback from which it would not have recovered in five years.

The municipalities had available in the year 1906 for expenditure for cemeteries ₱11,414.36, and for the year 1907 ₱30,608.57, of which ₱10,805.06 were carried over as a balance from the previous year.

The total expenditures by municipalities out of the general fund during the fiscal year 1906 were ₱3,882,284.18, as compared with ₱4,079,757.69 for the year 1907, an increase of ₱197,473.51.

Salaries to officials during the year 1907 were reduced more than ₱20,000, of employees more than ₱49,000, and of the municipal police about ₱30,000. Rent was reduced about ₱4,000, and miscellaneous expenses about ₱2,000, whereas the expense for furniture and supplies was increased about ₱42,000, for construction, repairs, and public improvements more than ₱120,000, and street lighting ₱16,000.

The saving which was made in salaries of officials, employees, and police, and the increase in the expenditure for betterments was due to the law limiting expenditures for salaries and wages to a certain percentage of the income.

The expenditures for school purposes during the fiscal year 1906 were ₱1,107,046.96, and for 1907 ₱1,163,919.71, a difference of ₱56,872.75.

The following table sets out in detail the financial operations of the municipalities for the year 1907:

Summary of municipal fiscal affairs for the year ended December 31, 1907.^a

Item.	General fund.	School fund.	Cemetery fund.
CREDITS.			
By balance January 1, 1907.....	₱1,090,317.21	₱805,555.74	₱10,805.06
Revenues:			
Internal revenue—			
Refund from Insular treasury, Act No. 1189.....	628,864.33	340,376.60	
Cedulas, Act No. 1189.....	809,166.92		
Weights and measures, Act No. 1519.....	1,449.86		
Licenses, Act No. 1189.....	280,688.82		
Opium certificates, Acts Nos. 1461 and 1761.....	11,157.80		
Joint provincial and municipal—			
Cart.....	33,461.84		
Land, 1906 and previous years.....	113,604.84	133,347.57	
Municipal—			
Fisheries.....	158,759.59		
Cattle registration.....	227,828.35		
Rents, profits, and privileges.....	674,121.11	134.33	
Licenses.....	387,760.07		
Fines.....	119,790.59		
Sales of estrays.....	16,353.74		
Miscellaneous.....	14,893.07	25,338.88	
Cemetery.....			15,818.74
Justice of the peace collections.....	67,848.42		
Cedulas, Act No. 83.....	2,185.10		
Cedulas, Act No. 387.....	76.64		
Street cleaning (Moro).....	471.80		
Latrine (Moro).....	2,702.74		
Water tax (Moro).....	3.00		
Frontage (Moro).....	1,490.26		
Industrial tax.....	167.58		
Property tax.....	26,720.66		
Escheats, section 751, Act No. 190.....		6,692.38	
Franchise tax—			
Act No. 1111.....	200.19		
Act No. 1112.....	1,528.81		
Act No. 1303.....	53.34		
Total.....	3,641,345.47	505,899.76	15,818.74
Miscellaneous receipts:			
Aid from Insular government, Act No. 1406.....		15,000.00	
Insular payment lieu land tax.....	330,244.00	370,522.63	
Loans from province, Acts Nos. 1517 and 1590.....	3,000.00	1,500.00	
Loans from province.....	14,500.00	13,720.00	200.00
Primary instruction friar lands estates, Act No. 1679.....		1,946.45	
Transfers from general fund.....		184,296.03	3,784.77
Aid from province for municipal police, Act No. 781.....	1,117.00		
School assistance fund, Act No. 797.....		11.04	
Allotment from township and settlement fund.....	1,000.00		
Total miscellaneous receipts.....	349,861.00	589,996.15	3,984.77
Total.....	5,081,523.68	1,898,441.65	30,808.57
DEBITS.			
To expenditures:			
Salaries of officials.....	863,933.49		
Salaries of employees.....	669,981.43	901,944.30	
Salaries and maintenance of police.....	1,006,684.90		
Furniture, office supplies, etc.....	244,578.65	26,061.81	
Rent.....	37,853.89		
Construction repairs and improvements.....	582,502.66	178,331.05	
Street lighting.....	78,387.93		
Miscellaneous.....	318,136.89	43,450.54	
Cemetery.....			4,845.80
Construction, repairs, and improvements, Act No. 1527.....	5,033.65		
Justice of the peace collections.....	58,944.69		
Total expenditures.....	3,866,038.18	1,149,796.70	4,845.80

^a Under existing law the fiscal year of the municipalities ends December 31 of each year.

Summary of municipal fiscal affairs for the year ended December 31, 1907.—Continued.

Item.	General fund.	School fund.	Cemetery fund.
DEBITS.—Continued.			
Miscellaneous charges:			
Losses, section 41, Act No. 1402.....	P2,731.59	P203.01	
Repayment of loans to province.....	13,435.10	8,920.00	
Transfers to school and cemetery funds.....	188,060.80		
Revenue (old) stamp tax refund.....	40.83		
Payment to province, Act No. 1275.....	9,431.19	5,000.00	
Total miscellaneous.....	213,719.51	14,123.01	
Balance December 31, 1907.....	1,001,765.99	734,521.94	P25,762.77
Total.....	5,081,523.68	1,808,441.65	30,808.57

LAND TAX.

As stated in previous reports, the constant complaint of landholders, and especially of the farmers, that the country had not recovered from the war and the loss of its cattle, that the assessments were too high, and that they were in no position to pay the land tax resulted in the suspension of the land tax for the years 1906 and 1907. For the year 1906 provincial and municipal governments were fully reimbursed for the amount of the tax which would otherwise have accrued to them had no suspension been made. In consequence, the suspension of the 1906 tax was highly gratifying both to landholders and to provincial and municipal governments. In the year 1907, however, the insular government found itself so hard pressed for funds that it could not reimburse provincial and municipal governments for more than 50 per cent of the land tax. The landholders still continued satisfied with the suspension, but municipal and provincial governments found themselves very much hampered in maintaining schools and paying fixed charges, to say nothing of the construction of public works and permanent improvements. When, therefore, the Philippine Commission, by Act No. 1713, vested provincial boards with authority to suspend the land tax, but two provinces, Iloilo and Cebu, availed themselves of the power.

The new assessment of real property, under the provisions of Act No. 1455, as amended, was completed on July 31, 1908, the date on which the central equalizing board completed its revision of the tax rolls and concluded its labors. Excluding the city of Manila, the tax rolls show 2,286,439 parcels of land, with a total tax valuation of P324,047,367. Of the total number of parcels, 472,976, with a tax valuation of P44,287,320, are exempt from taxation. The total number of taxable parcels is 1,813,463, with a tax valuation of P279,760,047.

Under the old assessment the taxable parcels numbered 1,500,000, with a tax valuation of P293,445,454.71.

While as a general rule tax valuations were substantially reduced in many of the provinces, owing to the increased number of taxable parcels the total decrease was only 5 per cent of the total assessed valuation.

No new assessment was provided for the city of Manila by Act No. 1455. In the city of Manila there are 15,133 parcels of land, with a valuation of ₱128,141,222, of which 14,893 parcels, valued at ₱81,943,694, are taxable, and 240, valued at ₱46,197,528, are exempt. Of the exempt property in Manila 156 parcels, valued at ₱30,764,713, belong to the municipal, insular, or national governments, and 84, valued at ₱15,432,815, belong to churches, religious orders, and educational institutions.

The total number of taxable and nontaxable parcels of land in the Philippine Islands, inclusive of the city of Manila, is 2,301,572, with an assessed valuation of ₱452,188,589, of which 1,828,356 parcels, valued at ₱361,703,741, are taxable, and 473,216, valued at ₱90,484,848, are exempt.

The total cost to provincial and municipal governments of making the new assessment was as follows:

	Provincial governments.	Municipal governments.	Total.
Salaries, per diems, traveling expenses.....	₱108,737.56	₱18,284.91	₱127,022.47
Supplies, miscellaneous.....	23,195.24	6,615.49	29,810.73
Total.....	131,932.80	24,900.40	156,833.20

Notwithstanding the fact that there is still considerable reserve among the people in accepting the land tax as a just and proper means of raising revenue for the support of the government, it may be said that the new assessment is accepted with more satisfaction than was the old one. Valuations in the new assessment were fixed with more care and but little opportunity was given to municipal officials to favor their friends or to work vengeance on their enemies by assessing the land ridiculously low in the one case and exorbitantly high in the other. The central board of equalization brought about in some measure uniformity of assessment between provinces and between municipalities of the same province. Moreover, under the new law erroneous and unjust assessments may be corrected on appeal to the executive.

Under the Spanish régime it may be said that the expenses of government were borne by the poor and the laboring classes. Of the ₱8,000,000 for cedula tax collected in 1897, not less than 80 per cent came from the pockets of those who were least able to bear the burden. Of the ₱1,000,000 derived from the lottery, nearly all was paid by the laboring man. The greater portion of the license taxes

also came from those who were not rich in this world's goods. The object of the land tax was to make a more equitable distribution of the burdens of government and to oblige those who were best able, those who had most at stake, and those who received the greatest benefits from the protection afforded by government to pay in proportion to their means. In the beginning the imposition of this land tax excited most bitter criticism and opposition, a criticism and opposition, by the way, which has no basis in sound reason and no better motive than the selfish one of escaping the just burdens which every citizen should bear that justice may be administered and adequate protection to life, liberty, and property given.

There are in the Philippines 1,813,463 parcels of land, the average obligatory land tax on which is the insignificant sum of 57 centavos per parcel and the optional tax—that is, optional with the provincial governments—76 centavos per parcel. There are 472,976 parcels of land, valued at ₱44,287,320.60 which are exempt from taxation by reason of the fact that each parcel is so small that it was deemed wise to exempt it rather than attempt to collect the insignificant sum which would result if the tax were collected. In the great majority of the provinces in the islands landed properties are very much subdivided and the acreage of any one parcel is, as a rule, small. In the provinces of Occidental Negros and Pampanga the holdings are larger than those of the others, and in these the tax may have proved burdensome during periods when agriculture was hampered by the loss of draft cattle. It would seem that the taxable holdings in Cavite were large. This is not true. The small number of parcels in proportion to population in Cavite is due to the fact that in that province there are very large estates which formerly belonged to the friars that are now the property of the government, and not subject to taxation. It may be said without fear of successful contradiction that landholders on the average did not pay as much as 2 pesos a year on account of the land tax.

The following statement will show the amount paid in each province for each parcel of land subject to taxation, obligatory and optional, as per last assessment, under the provisions of Act No. 1455, also the number of parcels exempt from taxation and their assessed value:

Statement showing average amount paid in each province for each parcel of land subject to taxation, both obligatory and optional, as per last assessment, under the provisions of Act No. 1455, as amended.

Provinces.	Taxable property.		Taxation.						Exempt property.		
	Number of parcels.	Assessed value.	Obligatory.			Optional.			Grand total per parcel.	Number of parcels.	Assessed value.
			One-eighth of 1 per cent. provincial.	Roads and bridges per parcel.	One-fourth of 1 per cent. municipal.	Schools per parcel.	Two-eighths of 1 per cent. provincial.	One-fourth of 1 per cent. municipal.				Total per parcel.
Aguasan.....	4,682	P 429,400	P 0.11		P 0.22		P 0.22	P 0.44	P 0.77	P 757	P 119,950.00
Albay.....	93,426	21,239,700	.28		.56		.56	1.12	1.96	3,640	1,253,970.00
Amboac Camarines.....	56,648	10,715,410	.24		.48		.48	.96	1.68	10,176	1,301,600.00
Antique.....	26,069	1,796,670	.09		.18		.18	.36	.63	8,780	155,690.00
Bataan.....	9,064	2,065,200	.21		.56		.56	1.12	1.96	3,984	411,260.00
Batangas.....	49,515	8,259,710	.28		.42		.42	.84	1.47	24,854	1,828,050.00
Benguet.....											
Bohol.....	59,525	3,238,720	.07		.14		.14	.28	.49	32,774	1,233,510.00
Bulacan.....	45,596	16,954,255	.46		.92		.92	1.84	3.22	9,274	3,742,060.00
Cagayan.....	71,329	11,065,907	.19		.38		.38	.76	1.33	6,166	334,751.00
Capiz.....	53,463	5,614,905	.13		.26		.26	.52	.91	13,068	1,040,642.60
Cebu.....	12,896	6,115,260	.59		1.18		1.18	2.36	4.13	21,054	388,710.00
Davao Norte.....	92,089	15,434,020	.21		.42		.42	.84	1.47	45,371	3,802,910.00
Davao Sur.....	181,812	8,074,790	.04		.08		.08	.16	.28	21,327	462,530.00
Iloilo.....	153,329	14,785,190	.07		.14		.14	.28	.49	23,950	1,254,320.00
Isabela.....	65,462	10,319,970	.28		.56		.56	1.12	1.96	23,950	439,600.00
La Laguna.....	72,140	4,712,170	.34		.68		.68	1.36	2.03	4,014	412,590.00
La Union.....	75,422	10,319,970	.18		.36		.36	.72	1.26	11,485	1,645,490.00
Lepanto-Bontoc.....	7,674	5,811,250	.10		.20		.20	.40	.70	4,014	713,910.00
Leyte.....	57,318	253,860	.04		.08		.08	.16	.28	1,418	137,730.00
Mindoro.....		9,356,030	.20		.40		.40	.80	1.40	22,901	1,130,740.00
Misamis.....	40,825	4,089,410	.13		.26		.26	.52	.91	7,009	571,740.00
Misamis.....	27,073	9,884,250	.46		.92		.92	1.84	3.22	3,202	1,024,320.00
Nueva Ecija.....											
Nueva Vizcaya.....											
Occidental Negros.....	17,972	12,495,650	.87		1.74		1.74	3.48	6.09	7,255	702,940.00

FIREARM PERMITS.

Under the provisions of Act No. 1780 and Executive Order No. 56, series of 1907, the director of constabulary is vested with all authority as to firearms, and the executive bureau no longer intervenes directly in this matter.

TRANSPORTATION OF GOVERNMENT OFFICIALS, EMPLOYEES, AND
FILIPINO STUDENTS TO AND FROM THE UNITED STATES.

By reason of the ruling of the Interstate Commerce Commission of the United States the contract between the Government and steamship and railway companies for the transportation of government officials, employees, and students between the United States and the Philippine Islands could not be renewed except for transportation by steamship companies plying between Manila and the ports of San Francisco and Seattle. With such steamship companies the Bureau of Insular Affairs exerted itself most strenuously to secure the best rates possible, and for its efforts in that behalf the Bureau of Insular Affairs is deserving of the sincere gratitude and appreciation of the Philippine government. The contract rate between Manila and Seattle and between Manila and San Francisco is \$150.

During the year transportation to the United States was secured for 654 persons, of whom 576 were adults and 78 children. Of the total number, 274 adults and 31 children traveled by commercial liners. Transportation by commercial liners from Manila to San Francisco was furnished at the expense of the government to 41 resigning employees and 3 Filipino students, and 125 employees and members of their families, 1 nurse, 24 children, and 6 Filipino students traveled at their own expense. Transportation to Tacoma was furnished to 6 resigning employees at the expense of the government, and to 17 employees and 4 children traveling at their own expense. Transportation to Seattle was furnished to 20 employees traveling at the expense of the government, and to 53 employees, 1 nurse, 3 children, and 1 Filipino student traveling at their own expense. One order was issued for transportation to Honolulu.

Transportation to San Francisco was furnished by army transports as follows:

Adult employees or members of their families.....	234
Children.....	47
Filipino students.....	8
Servants.....	7
Indigent or destitute Americans.....	33
Conditionally pardoned American prisoners.....	20

Besides the transportation above mentioned, transportation from Manila to Nagasaki was secured for 22 adults and 2 children, and from Nagasaki to San Francisco for 2 adults.

LOUISIANA PURCHASE EXPOSITION MEDALS AND DIPLOMAS.

The medals and diplomas of the Philippine exhibitors at the Louisiana Purchase Exposition, which closed in December, 1904, were received in Manila in February, 1908. Some 2,076 medals were received and distribution thereof was practically completed within a month. Considerable difficulty was encountered in locating some of the exhibitors, and there are now on hand about 50 diplomas and medals awaiting claimants.

PARDONS.

The pardon committee, which was originally appointed by Governor-General Ide on May 1, 1906, was originally limited in its jurisdiction to cases of prisoners convicted of bandolerismo. This committee disposed of 772 cases thereof and still has under consideration 944. During the fiscal year 1,025 petitions for pardon in cases not coming within the scope of the pardon committee were received. Those for pardon must first be referred to the bureau of prisons for the prisoners' records, to the clerk of the court for the judgment and sentence, to the trial judge for recommendation, and to the provincial governor, the inspector of constabulary, and the fiscal for information as to the previous life and reputation of the prisoner and recommendation touching the question of his pardon or reduction of penalty. During the year the executive disposed of 760 cases, and on June 30 there were some 545 applications under investigation. The investigation of pardon cases and the reading of the records and recommendations have taken up so much of the time of the executive during the last two years that it was deemed advisable to extend the jurisdiction of the committee on pardons to all applications for pardon. This will greatly reduce the work of the executive and confine his personal investigations to capital cases and to those who have been condemned for very grave offenses. Of the applications for pardon 14 per cent allege no reason whatever and in 30 per cent of the cases the only reason urged is destitution of the family of the criminal.

The pardon committee as originally constituted was composed of two judges of the supreme court, two judges of the court of first instance, and the director of constabulary. On the judges of the court of first instance, or at least on one of them, fell the work of investigating the records in each case and of making a report of the facts. The judges of the court of first instance found this labor very trying, when added to the work which they are compelled to perform.

daily as judges of a trial court. In consequence they were relieved from further duty on the committee on pardons and Commissioners Palma and Gilbert were appointed in their places. General Bandholtz, as director of constabulary, was relieved from duty on the committee and the vacancy has not yet been filled.

EXTRADITION.

During the year the government was compelled to ask for the extradition of three persons accused of crime. One of these was accused of selling the same property to two different persons. He left the islands on an army transport and a request for his extradition from Honolulu was prepared. The formal order for his extradition, however, was rendered unnecessary because the military authorities placed him on board of a transport returning to Manila. Two Manila merchants were charged with falsification of books of account and their extradition was requested from the government of Hongkong. Both of these merchants, however, took refuge in Macao, which is under the jurisdiction of the Kingdom of Portugal. As the United States has no extradition treaty with Portugal, their return to the Philippines could not be accomplished by extradition. It is understood that these merchants effected a settlement with the aggrieved parties, but, whatever the motive, further proceedings against the refugees were abandoned by the parties interested. A Spaniard employed by the Manila Electric Railroad and Light Company embezzled funds of the company and made his escape to Hongkong, where he was promptly arrested and turned over to the representatives of the Philippine government upon presentation of proper extradition papers. Two Chinese accused of embezzlement succeeded in escaping to China, and the Philippine government has requested the aid of the State Department at Washington to secure their return to Manila. Douglas, a clerk of the United States Signal Corps, who embezzled some ₱4,000 and escaped to Buenos Aires some two years ago, has not been apprehended. His extradition was requested from the Argentine Republic, but before an officer representing the government could reach Buenos Aires he was released and no further trace of him has been found.

During the year one request from a foreign government was received for the extradition of a criminal who had escaped from the local jurisdiction. This was the case of an ex-soldier of marines who murdered his paramour in Hongkong. The government of Hongkong requested his delivery to the representatives of that government and this was done in accordance with law and proper judicial decree duly made and entered.

CABLEGRAMS.

The total cable tolls paid by the government were ₱29,428.49, as compared with ₱17,080.22 for the fiscal year 1907, and ₱19,066.76 for the fiscal year 1906. The increase was due to the sending of long cables referring to the construction of the railways, to the settlement of disputes as to the auditing of the railway accounts and methods of construction, to telegrams regarding the Philippine Legislature, to action taken by it, etc.

ELECTIONS.

The election for delegates to a popular Assembly was held on July 30, 1907, in conformity with the call of the Commission. Although it took place after the termination of the fiscal year 1907, the matter was fully dealt with in the report of that year, and it is unnecessary in this report to do more than to call attention to the annual report of the Philippine Commission for the fiscal year 1907, which deals with this subject under the heading of "Philippine Assembly."

It will be remembered that prior to the passage of the general election law but one member of the provincial board, namely, the provincial governor, was elected, and he not by popular vote but by that of the vice-presidents and councillors of the municipalities of the province. As stated elsewhere in this report, the general election law provided that the provincial governor and the third member of the provincial board should be elected not by the vice-presidents and councillors of municipalities, but by the vote of the qualified electors of the province. In accordance with this law the first election for provincial governors and third members was held on November 5, 1907. With the returns from three towns still missing, the registration for the election of provincial governors and third members under the general election law was 171,642. This registration exceeded that of the registration for the Assembly election by 69,525. The number of votes cast for provincial governors and third members was 161,697, as compared with 98,251 for assemblymen, a difference of 73,446, from which it would seem that there were 73,446 voters who were not sufficiently interested to vote for assemblymen. It is hoped that there will be more interest shown in the next elections for members of the Assembly. The following table shows by provinces the number of persons registered, the number of votes cast by each political party, the number of contested elections, etc.:

Data of general elections in November, 1907, for provincial and municipal officials.

Province.	Number of persons registered.	Number of votes cast.	Number of votes obtained by political parties or factions.					Number of contested elections.	Number of candidates whose elections contested in court.	Number of contests dismissed by court of first instance.	Number of elections annulled by court.	Number of contests withdrawn.	Recounts ordered and result changed thereby.	Number of complaints filed with court of first instance for alleged election frauds.	Remarks.
			Nacionalista.	Progresista.	Independent.	Independista.	Miscellaneous.	Unknown.							
	1	2	3					4	5	6	7	8	9	10	
Albay.....	7,577	7,238	238	2,928	1,186	973	.....	8	9	4	1	1	2	4	Decision of court; candidates tied.
Amboac Camarines.....	1,522	5,238	.....	.....	.....	.....	.....	8	9	4	1	1	2	4	
Antique.....	2,451	2,386	.....	1,904	366	.....	.....	8	9	2	3	1	.....	.....
Bataan.....	7,057	6,297	61	.....	.....	.....	.....	1	7	1	.....	.....	.....	1	
Batangas.....	6,457	6,297	.....	.....	.....	.....	.....	1	7	.....	.....	.....	.....	.....
Benguet.....	2,167	2,048	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Bohol.....	2,164	2,048	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Bulacan.....	6,387	5,993	5,993	.....	.....	.....	.....	3	3	2	.....	.....	.....	.....	1 protest against provincial governor, dismissed.
Bureau.....	6,387	5,993	5,993	.....	.....	.....	.....	7	12	1	3	1	2	8	1 being against provincial governor and third member. ^a
Cagayan.....	6,737	6,283	2,284	2,710	169	.....	.....	9	18	6	1	2	.....	.....	1 being against provincial governor. ^b
Capiz.....	6,180	5,921	176	917	3,822	.....	970	9	18	6	1	2	.....	.....	1 being against provincial governor.
Cavite.....	4,940	4,677	3,328	197	.....	338	535	2	2	1	1	.....	2	4	1 protest against provincial governor; election called as case pending in supreme court.
Cebu.....	9,450	8,905	4,433	1,761	.....	.....	579	11	13	3	4	2	.....	.....	1 protest against provincial governor.
Ilocos Norte.....	4,536	4,433	1,325	1,761	.....	.....	579	4	5	2	1	1	.....	.....	Do.
Ilocos Sur.....	5,815	5,707	.....	.....	.....	.....	.....	6	6	5	1	.....	.....	4	1 protest against third member; election annulled.
Iloilo.....	12,953	11,480	2,867	4,607	3,976	.....	.....	5	7	3	.....	1	1	.....
Isabela.....	3,717	3,274	1,062	1,791	350	.....	.....	13	13	4	1	.....	.....	.....
La Laguna.....	6,457	5,903	2,813	2,991	41	.....	.....	5	5	3	.....	2	.....	.....
La Union.....	4,914	4,829	2,498	2,058	.....	.....	.....	4	4	4	.....	.....	.....	.....
Leyte.....	8,702	8,052	4,544	733	1,087	.....	.....	1,007	8	6	2	.....	.....	1	
Misamis.....	2,070	1,828	.....	.....	.....	.....	.....	3	4	1	2	.....	.....	.....
Nueva Ecija.....	4,420	4,232	1,373	1,443	.....	.....	.....	11	11	8	2	1	.....	.....
Occidental Negros.....	6,805	6,403	3,241	3,630	1,787	253	.....	7	14	4	1	2	.....	1	
Oriental Negros.....	2,588	2,385	1,068	1,264	63	.....	.....	2	2	1	.....	.....	.....	.....

^a Modernista party.^b Nacionalista liberal party.^c Republicano party.

Data of general elections in November, 1907, for provincial and municipal officials.—Continued.

Province.	Number of persons registered.	Number of votes cast.	Number of votes obtained by political parties or factions.					Number of contested elections.	Number of candidates whose elections contested in court.	Number of contests dismissed by court of first instance.	Number of elections annulled by court.	Number of contests withdrawn.	Recounts ordered and result changed thereby.	Number of complaints filed with court of first instance for alleged election frauds.	Remarks.	
			Nacionalista.	Progresista.	Independent.	Independista.	Miscellaneous.									Unknown.
	1	2	3					4	5	6	7	8	9	10		
Pampanga.....	5,764	5,420	1,248	2,779	1,238	.....	.....	3	4	2	.....	1	.....	7	1 protest against provincial governor and third member.
Pangasinan.....	11,827	11,487	4,514	3,232	3,103	.....	.....	15	18	2	.....	12	1	1	Do.
Rizal.....	4,550	4,299	1,379	1,504	.....	.....	61,366	4	4	1	.....	2	1	4	1 protest against provincial governor. ^a
San Luis.....	5,499	5,057	.....	.....	.....	.....	.....	3	3	3	.....	.....	.....	2	1 protest against provincial governor; decision in one protest was tie.
Sorsogon.....	4,878	4,370	.....	.....	.....	.....	.....	9	9	7	.....	2	.....	1	1 protest against provincial governor.
Surigao.....	1,076	1,009	.....	.....	.....	.....	.....	1	1	1	.....	.....	.....	.....	1 protest against provincial governor.
Tarlac.....	3,873	3,603	1,803	1,642	158	.....	.....	5	5	5	.....	.....	.....	.....	.....
Tayabas.....	10,220	9,862	.....	.....	.....	.....	.....	5	6	3	.....	2	.....	.....	.....
Zambales.....	1,691	1,631	1,514	2	82	.....	33	1	1	1	.....	.....	.....	.....	.....
Total.....	171,642	161,697	44,288	38,153	17,458	1,563	2,983	1,351	157	211	85	27	35	9	38

^a Liga Nacional.

NOTE.—Column No. 3: In some provinces voters were not organized into political parties. The figures for three municipalities (Calayan, Cagayan; and Calbiran and Pintuyan, Leyte) are missing. Number of registered voters of Dulag, Leyte, can not be ascertained (report of provincial governor), so that the number of votes is estimated.

From the foregoing table it appears that of 161,697 votes cast, 44,288 were for the candidates of the Nacionalista party, 38,153 for those of the Progresista party, 17,458 for those who stood on an independent platform, 1,563 for Independista candidates, 2,983 scattering, and 1,351 for candidates whose party affiliations were unknown. Adding to the Nacionalista party vote the entire Independista, half the scattering, and half the unknown would give a vote of 48,018, as the strength of those holding radical views. Adding to the 38,153 Progresista votes the 17,458 independent would give 55,611 as the number of voters representing conservative and moderate views as to the political policy now pursued in the Philippines.

All the delegates from the provinces of Pampanga, Rizal, Laguna, and Tayabas were Nacionalistas, and of the three delegates to which Occidental Negros was entitled and of the four allowed to Iloilo but one Progresista was elected from each province. Nevertheless, strange to say, at the provincial elections each one of these provinces elected a Progresista governor by a handsome majority. That the deduction as to relative strength of the conservative and radical elements in the Islands drawn from the vote of the last provincial elections is not unfair is confirmed by the fact that of the total number of provincial governors elected by the people, 15 are Nacionalistas and 16 Progresistas.

ACTS PASSED BY THE LEGISLATURE.

The following bills and joint and concurrent resolutions originating in the Assembly at the inaugural session of the Legislature were passed by the Commission as they came from the Assembly, or as amended were concurred in by the Assembly:

[Act No. 1801.—Bill No. 10.]

An act providing for an appropriation of one million pesos for the construction of schools in the barrios, under certain conditions.

Enacted December 20, 1907.

Effective on passage.

[Act No. 1804.—Bill No. 82.]

An act to amend Act Numbered Fifteen hundred and thirty-seven of the Philippine Commission, as amended by Act Numbered Fifteen hundred and ninety-nine of the said Commission, by providing that no horse racing shall be held on the thirtieth day of May, known as Memorial Day, or the thirtieth day of December, known as Rizal Day, and appointing other days in their stead.

Enacted January 11, 1908.

Effective on passage.

[Act No. 1805.—Bill No. 120.]

An act appropriating the sum of ten thousand pesos from insular funds, and five thousand pesos from the funds of the city of Manila, for the purpose of aiding the carnival which is to be held in the city of Manila in the year nineteen hundred and eight.

Enacted January 30, 1908.

Effective on passage.

[Joint Resolution No. 1.—A. J. R. No. 2.]

Conveying to the President of the United States and through him to the Congress and the people of the United States the gratitude of the people of the Philippine Islands and the Philippine Assembly and their high appreciation of the privilege conceded to them of participating directly in the making of the laws which shall govern them.

Adopted October 19, 1907.

[Joint Resolution No. 2.—A. J. R. No. 2.]

Prescribing the procedure to be followed by the Commission and the Assembly in the election of two resident commissioners to the United States, in accordance with section eight of the act of Congress approved July first, nineteen hundred and two.

Adopted November 22, 1907.

[Joint Resolution No. 3.—A. J. R. No. 3.]

Providing for an enacting clause for all laws which hereafter may be enacted by the Philippine Legislature.

Adopted December 19, 1907.

[Joint Resolution No. 4.—A. J. R. No. 7.]

Expressing the high appreciation of the Philippine Commission and of the Philippine Assembly merited by the memory of Doctor Rizal and the patriotic sentiments of the Philippine people.

Adopted December 23, 1907.

[Joint Resolution No. 6.—A. J. R. No. 4.]

Providing that a recommendation be made to the Congress of the United States that it empower the Philippine Legislature to enact a law establishing a day other than that provided by the act of Congress of July first, nineteen hundred and two, for the opening of the sessions of the Philippine Legislature, and urging prompt action.

Adopted January 16, 1908.

[Joint Resolution No. 8.—A. J. R. No. 16.]

Providing for the appointment of a committee for making recommendations regarding the enactment of a law on labor accidents.

Adopted February 1, 1908.

[Concurrent Resolution No. 3.—A. C. R. No. 2.]

Determining the title of the present Legislature, the numbering of its acts, the number of copies thereof which shall be printed, both of the special edition for preservation in the legislative archives and of the regular edition for distribution among the officers of the insular, provincial, and municipal governments and the general public, and for other purposes.

Adopted February 1, 1908.

[Concurrent Resolution No. 4.—A. C. R. No. 3.]

Providing for the closing of the inaugural session of the Philippine Legislature.

Adopted February 1, 1908.

The following bills and joint and concurrent resolutions originating in the Commission at the inaugural session of the Legislature were passed by the Assembly as they came from the Commission, or as amended were concurred in by the Commission:

[Act No. 1802.—Bill No. 4.]

An act providing for the employment of private secretaries to the resident commissioners to the United States and for the salaries and traveling expenses of said private secretaries.

Enacted December 26, 1907.

Effective on passage.

[Act No. 1803.—Bill No. 5.]

An act to amend section six of Act Numbered Fifteen hundred and eighty-two, known as the election law, by providing an annual salary for the speaker of the Philippine Assembly and by increasing the per diems of delegates to the Assembly.

Enacted December 28, 1907.

Effective on passage.

[Act No. 1806.—Bill No. 24.]

An act to amend Act Numbered Three hundred and fifty-five, entitled "An act to constitute the customs service of the Philippine Archipelago and to provide for the administration thereof," as amended, by providing that merchandise in bond may be withdrawn for delivery on board vessels of the United States and foreign vessels.

Enacted January 30, 1908.

Effective on passage.

[Act No. 1807.—Bill No. 32.]

An act prohibiting the holding of horse races in the city of Manila on February second, nineteen hundred and eight, designating another date therefor, and for other purposes.

Enacted February 1, 1908.

Effective on passage.

[Joint Resolution No. 5.—C. J. R. No. 2.]

Authorizing the acting secretary of finance and justice to order John S. Hord, collector of internal revenue, while on vacation in the United States, to go to Washington, District of Columbia, in order to execute the commission which is determined by the present resolution.

Adopted January 14, 1908.

[Joint Resolution No. 7.—C. J. R. No. 1.]

Declining to join in the application made to Congress by the legislature of the State of Wisconsin to call a constitutional convention for the purpose of submitting to the States for ratification an amendment to the Federal Constitution providing for the election of United States Senators by the direct vote of the people.

Adopted February 1, 1908.

[Concurrent Resolution No. 1.—C. C. R. No. 2.]

Providing a seal for the attestation of copies of acts, resolutions, and documents of the Philippine Legislature.

Adopted January 9, 1908.

[Concurrent Resolution No. 2.—C. C. R. No. 3.]

Providing that neither house of the Legislature may adjourn for a period exceeding three days without the consent of the other.

Adopted January 21, 1908.

[Joint Resolution No. 1.—A. J. R. No. 2.]

Conveying to the President of the United States and through him to the Congress and the people of the United States the gratitude of the people of the Philippine Islands and the Philippine Assembly and their high appreciation of the privilege conceded to them of participating directly in the making of the laws which shall govern them.

Adopted October 19, 1907.

[Joint Resolution No. 2.—A. J. R. No. 2.]

Prescribing the procedure to be followed by the Commission and the Assembly in the election of two resident commissioners to the United States, in accordance with section eight of the act of Congress approved July first, nineteen hundred and two.

Adopted November 22, 1907.

[Joint Resolution No. 3.—A. J. R. No. 3.]

Providing for an enacting clause for all laws which hereafter may be enacted by the Philippine Legislature.

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Adopted February 1, 1908.

[Concurrent Resolution No. 4.—A. C. R. No. 3.]

Providing for the closing of the inaugural session of the Philippine Legislature.

Adopted February 1, 1908.

The following bills and joint and concurrent resolutions originating in the Commission at the inaugural session of the Legislature were passed by the Assembly as they came from the Commission, or as amended were concurred in by the Commission:

[Act No. 1802.—Bill No. 4.]

An act providing for the employment of private secretaries to the resident commissioners to the United States and for the salaries and traveling expenses of said private secretaries.

Enacted December 26, 1907.

Effective on passage.

[Act No. 1803.—Bill No. 5.]

An act to amend section six of Act Numbered Fifteen hundred and eighty-two, known as the election law, by providing an annual salary for the speaker of the Philippine Assembly and by increasing the per diems of delegates to the Assembly.

Enacted December 28, 1907.

Effective on passage.

[Act No. 1806.—Bill No. 24.]

An act to amend Act Numbered Three hundred and fifty-five, entitled "An act to constitute the customs service of the Philippine Archipelago and to provide for the administration thereof," as amended, by providing that merchandise in bond may be withdrawn for delivery on board vessels of the United States and foreign vessels.

Enacted January 30, 1908.

Effective on passage.

[Act No. 1807.—Bill No. 22.]

An act prohibiting the holding of horse races in the city of Manila on February second, nineteen hundred and eight, designating another date therefor, and for other purposes.

Enacted February 1, 1908.

Effective on passage.

[Joint Resolution No. 5.—C. J. R. No. 2.]

Authorizing the acting secretary of finance and justice to order John S. Hord, collector of internal revenue, while on vacation in the United States, to go to Washington, District of Columbia, in order to execute the commission which is determined by the present resolution.

Adopted January 14, 1908.

[Joint Resolution No. 7.—C. J. R. No. 1.]

Declining to join in the application made to Congress by the legislature of the State of Wisconsin to call a constitutional convention for the purpose of submitting to the States for ratification an amendment to the Federal Constitution providing for the election of United States Senators by the direct vote of the people.

Adopted February 1, 1908.

[Concurrent Resolution No. 1.—C. C. R. No. 2.]

Providing a seal for the attestation of copies of acts, resolutions, and documents of the Philippine Legislature.

Adopted January 9, 1908.

[Concurrent Resolution No. 2.—C. C. R. No. 3.]

Providing that neither house of the Legislature may adjourn for a period exceeding three days without the consent of the other.

Adopted January 21, 1908.

The following bills and joint and concurrent resolutions originating in the Assembly at the first session of the Legislature for the year 1908 were passed by the Commission as they came from the Assembly or, as amended, were concurred in by the Assembly:

[Act No. 1809.—Bill No. 121.]

An act appropriating the sum of one hundred thousand pesos from insular funds for the relief of sufferers from public calamities.

Enacted February 14, 1908.

Effective on passage.

[Act No. 1810.—Bill No. 127.]

An act adding to the first paragraph of section four of Act Numbered Fifteen hundred and eighty-two certain provisions for cases of void elections of provincial officers and of the death of the same.

Enacted February 18, 1908.

Effective on passage.

[Act No. 1814.—Bill No. 151.]

An act to amend section one hundred and thirty-six of Act Numbered Three hundred and fifty-five, known as the Philippine customs administrative act, as amended by Act Numbered Thirteen hundred and forty-one, and authorizing the insular collector of customs, with the approval of the secretary of finance and justice, to regulate the manifesting of coastwise cargoes in certain particulars.

Enacted March 24, 1908.

Effective on passage.

[Act No. 1815.—Bill No. 1.]

An act providing for the cancellation under certain conditions of the unpaid balances remaining on loans made to certain provincial and municipal governments prior to the fifteenth of October, nineteen hundred and seven, out of the general funds of the Insular Treasury and of the United States Congressional Relief Fund.

Enacted March 28, 1908.

Effective on passage.

[Act No. 1818.—Bill No. 205.]

An act amending Act Numbered Three hundred and forty-five, entitled "An act designating the days which shall be observed as public holidays in the Philippine Islands," as amended, among others by Act Numbered Sixteen hundred and seventy-one, so as to make the first day of May an official holiday and to empower the governor-general to make any working day an official holiday, under certain conditions.

Enacted April 30, 1908.

Effective on passage.

[Act No. 1819.—Bill No. 88.]

An act extending to December thirty-first, nineteen hundred and eight, the time within which real property which has been forfeited to municipalities for nonpayment of taxes may be redeemed.

Enacted April 30, 1908.

Effective on passage.

[Act No. 1820.—Bill No. 211.]

An act providing for the expenditure of seventeen thousand dollars, United States currency, for salary and traveling expenses of a delegate from the Philippine Islands

and subordinate personnel to attend the International Navigation Congress to be held from the twenty-eighth of May, nineteen hundred and eight, in St. Petersburg, Russia, and for other purposes.

Enacted May 11, 1908.

Effective on passage.

[Act No. 1821.—Bill No. 192.]

An act to empower the provincial boards of the provinces that have adopted the double cedula tax to postpone the period for the payment without penalty of the cedula tax for the year nineteen hundred and eight to June thirtieth, nineteen hundred and eight, and empowering the provincial boards of all provinces, with the exception of Cagayan and Isabela, to postpone the payment without penalty of the land tax for the year nineteen hundred and eight to September thirtieth of said year.

Enacted May 13, 1908.

Effective on passage.

[Act No. 1827.—Bill No. 199.]

An act appropriating the sum of one hundred thousand pesos, Philippine currency, to be expended in the discretion of the bureau of agriculture, under the supervision of the Secretary of the Interior, for the purpose of combating and exterminating cattle diseases in the islands.

Enacted May 21, 1908.

Effective on passage.

[Act No. 1828.—Bill No. 234.]

An act to amend Act Numbered Sixteen hundred and seventy-nine, entitled "An act making appropriations for sundry expenses of the insular government for the fiscal year ending June thirtieth, nineteen hundred and eight, and other designated periods," by making provisions for the carrying into effect by the act of Congress approved May eleventh, nineteen hundred and eight.

Enacted May 21, 1908.

Effective on passage.

[Act No. 1829.—Bill No. 112.]

An act providing for popular civic-educational lectures in the municipalities and principally in the barrios of the Philippine Islands.

Enacted May 21, 1908.

Effective on passage.

[Act No. 1831.—Bill No. 232.]

An act declaring the funds appropriated for current expenses of the Assembly, available for certain expenses of the Assembly that are not specified in the current appropriation bill.

Enacted May 21, 1908.

Effective on passage.

[Act No. 1832.—Bill No. 115.]

An act abolishing the special tax of one per centum on the assessed value of undeclared property.

Enacted May 21, 1908.

Effective on passage.

[Joint Resolution No. 9.—A. J. R. No. 15.]

Providing for the appointment of a committee for studying a plan to carry into effect the establishment of an agricultural bank in the Philippine Islands.

Adopted February 11, 1908.

[Joint Resolution No. 11.—A. J. R. No. 6.]

Giving instructions to the resident commissioners to the United States as regards the abolition of the Dingley tariff and other matters.

Adopted May 19, 1908.

[Concurrent Resolution No. 5.—A. C. R. No. 9.]

Providing for the adjournment of the Assembly on Saturday, April fourth, nineteen hundred and eight, to meet again on Monday, April twenty-seventh, nineteen hundred and eight.

Adopted April 1, 1908.

[Concurrent Resolution No. 6.—A. C. R. No. 4.]

Authorizing the executive secretary to make contracts with several newspapers for the publication of the acts, joint and concurrent resolutions, and advertisements of the Philippine Legislature, the executive orders of the governor-general, and other official notices of the government of the Philippines.

Adopted May 11, 1908.

[Concurrent Resolution No. 7.—A. C. R. No. 8.]

Providing for the appointment of a committee of fifteen members which shall have charge of the drafting of new civil, commercial, penal, and procedure codes.

Adopted May 21, 1908.

[Concurrent Resolution No. 8.—A. C. R. No. 12.]

Providing for the adjournment of the first session of the Legislature on Thursday, May twenty-first, nineteen hundred and eight, at twelve o'clock post meridian, and for other purposes.

Adopted May 21, 1908.

The following bills and joint and concurrent resolutions originating in the Commission at the first session of the Legislature for the year 1908 were passed by the Assembly as they came from the Commission or as amended were concurred in by the Assembly:

[Act No. 1811.—Bill No. 6.]

An act to amend act Numbered Fourteen hundred and ninety-three, entitled "An act to encourage economy and saving among the people of the Philippine Islands, and to that end to provide for the establishment of postal savings banks and their administration through the organization of a postal savings bank division in the bureau of posts, and for other purposes," by making provision for deposits made under act Numbered Seventeen hundred and eighty.

Enacted February 24, 1908.

Effective on passage.

[Act No. 1812.—Bill No. 31.]

An act providing for the filing with the division of archives, patents, copyrights, and trade-marks of the executive bureau of the contracts of mortgage executed by the Manila Railroad Company as security for the issuance of bonds and other obligations, creating and fixing upon the property covered by said instruments a lien at and from the time of filing the same, and exempting said instruments from the payment of stamp taxes, and for other purposes.

Enacted March 18, 1908.

Effective on passage.

[Act No. 1813.—Bill No. 26.]

An act authorizing the governor-general to convey, under certain conditions and restrictions, insular property to provinces and municipalities of the Philippine Islands, to be used for public school purposes.

Enacted March 24, 1908.

Effective on passage.

[Act No. 1824.—Bill No. 20.]

An act to fix the time for making annual reports by the directors of bureaus and heads of offices of the insular government, provincial governors, and the municipal board of the city of Manila, and for other purposes.

Enacted May 18, 1908.

Effective on passage.

[Act No. 1825.—Bill No. 27.]

An act to further amend section eleven of act Numbered Six hundred and nineteen, in order to avoid the long delays that are frequently attendant upon summary court trials in the constabulary.

Enacted May 18, 1908.

Effective on passage.

[Act No. 1826.—Bill No. 14.]

An act to provide for the granting of a franchise to construct, maintain, and operate telephone and telegraph systems, and to carry on other electrical transmission business in and between the provinces of Albay and Ambos Camarines and in and between the municipalities thereof.

Enacted May 20, 1908.

Effective on passage.

[Act No. 1830.]

An act amending section five of act Numbered Fifteen hundred and eighty-two, entitled "The election law," in certain particulars.

Enacted May 21, 1908.

Effective on passage.

[Act No. 1833.]

An act to amend act Numbered One hundred and thirty-one, entitled "An act providing for the establishment of a weather bureau for the Philippine Islands and appropriating eight thousand and sixty-six dollars and fifty cents, in money of the United States, for the purchase of meteorological instruments and apparatus and the installation of the same.

Enacted May 21, 1908.

Effective on passage.

[Act No. 1834.—Bill No. 36.]

An act to amend sections seven, nine, and one hundred and thirty of act Numbered Fourteen hundred and fifty-nine, known as "The corporation law."

Enacted May 21, 1908.

Effective on passage.

[Act No. 1835.—Bill No. 30.]

An act to grant to the Insular Coal Company (Incorporated) a franchise to construct, maintain, and operate a railway line from the shore line at the port of Danao to the coal district of Camansi, province of Cebu.

Enacted May 21, 1908.

Effective on passage.

[Joint Resolution No. 10.—C. J. R. No. 3.]

Giving further instructions to the resident commissioners to the United States.
Adopted May 19, 1908.

[Joint Resolution No. 12.—C. J. R. No. 4.]

Providing for the appointment of a committee to investigate the road problem in the Philippine Islands and to report thereon to the Philippine Legislature at its next regular session.

Adopted May 21, 1908.

The following bills and joint and concurrent resolutions originating in the Assembly at the special session of the Legislature for the year 1908 were passed by the Commission as they came from the Assembly or as amended were concurred in by the Assembly:

[Act No. 1837.—Bill No. 196.]

An act making appropriations for certain public works and permanent improvements, and for other purposes.

Enacted May 29, 1908.

Effective on passage.

[Act No. 1838.—Bill No. 212.]

An act granting a prize of fifteen thousand pesos to the inventor of an incombustible roof to substitute nipa, and creating a technical board to pass upon the conditions of the invention.

Enacted May 29, 1908.

Effective on passage.

[Act No. 1839.—Bill No. 238.]

An act amending section three of Act Numbered Fifteen hundred and forty-five, entitled "An act to amend the provincial government act, Numbered Eighty-three, by reorganizing the provincial boards, and by abolishing the position of provincial secretary and for other purposes," by making certain provisions regarding the compensation which shall be received by the third member when acting as a substitute for the provincial governor.

Enacted May 29, 1908.

Effective on passage.

[Act No. 1841.—Bill No. 210.]

An act to provide for the construction of the capitol of the Philippine Islands, and to create a committee to prepare plans therefor.

Enacted May 30, 1908.

Effective on passage.

[Act No. 1846.—Bill No. 191.]

An act to amend section eighteen, paragraph two of subsection (1) of Act Numbered Eighty-two, known as the "Municipal code," as amended by Act Numbered Nine hundred and ninety-nine.

Enacted June 2, 1908.

Effective on passage.

[Act No. 1849.—Bill No. 213.]

An act providing for the establishment of a public library to be known as "The Philippine Public Library," making suitable appropriations therefor, and for other purposes.

Enacted June 3, 1908.

Effective on passage.

[Act No. 1882.—Bill No. 235.]

An act revalidating certain declarations of real property for assessment purposes heretofore made in accordance with the provisions of Act Numbered Fourteen hundred and fifty-five, as amended.

Enacted June 11, 1908.

Effective on passage.

[Act No. 1884.—Bill No. 233.]

An act to authorize the appropriation of seven hundred and fifty thousand pesos annually for the promotion, establishment, and maintenance of irrigation systems in the Philippine Islands.

Enacted June 13, 1908.

Effective on passage.

[Act No. 1885.—Bill No. 243.]

An act appropriating the sum of one hundred and fifty thousand pesos for the purchase and preparation of land for cattle quarantine stations in the cities of Manila, Cebú, and Iloilo, and making provision for the reimbursement of the Insular Treasury for the said amount with the proceeds of the sale of the Singalong experimental station, Malate, Manila.

Enacted June 13, 1908.

Effective on passage.

[Act No. 1886.—Bill No. 247.]

An act authorizing the construction of a Pantheon of illustrious Filipinos, and providing for the appointment of a committee to take charge of the matter.

Enacted June 13, 1908.

Effective on passage.

[Act No. 1887.—Bill No. 248.]

An act authorizing the creation of special classes of superior instruction for municipal teachers and appropriating the sum of fifty thousand pesos for such purpose.

Enacted June 13, 1908.

Effective on passage.

[Act No. 1888.—Bill No. 246.]

An act amending section forty of Act Numbered Eighty-two, known as the "Municipal code."

Enacted June 13, 1908.

Effective on passage.

[Act No. 1864.—Bill No. 237.]

An act amending chapter one of Act Numbered Nine hundred and twenty-six by providing that payment of homestead entry fees may be made in installments, and by limiting the residence required by said chapter to the last two years immediately preceding the date of final proof.

Enacted June 18, 1908.

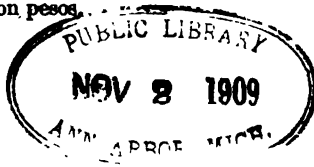
Effective when proclamation of governor-general issued to the effect that act has been approved and sanctioned in accordance with section thirteen of the act of Congress approved July 1, 1902.

[Act No. 1865.—Bill No. 240.]

An act creating a government agricultural bank of the Philippine Islands and appropriating for funds thereof the sum of one million pesos.

Enacted June 18, 1908.

Effective July 1, 1908.



[Act No. 1866.—Bill No. 106.]

An act appropriating the sum of seventy-five thousand pesos for salaries of teachers in barrio schools when established under certain conditions.

Enacted June 18, 1908.

Effective July 1, 1908.

[Act No. 1867.—Bill No. 245.]

An act providing for certain reforms in the organization of the Philippines constabulary.

Enacted June 18, 1908.

Effective July 1, 1908.

[Act No. 1868.—Bill No. 227.]

An act creating the bureau of labor, under the department of commerce and police.

Enacted June 18, 1908.

Effective on passage.

[Act No. 1869.—Bill No. 176.]

An act to amend the charter of the city of Manila, abolishing the advisory board and increasing the municipal board by adding thereto two elective members.

Enacted June 18, 1908.

Effective July 1, 1908.

[Act No. 1872.—Bill No. 135.]

An act amending Act Numbered Fourteen hundred and seven, entitled "The reorganization act," by providing for the free cutting and use of certain first-group timbers in buildings of strong materials.

Enacted June 19, 1908.

Effective on passage.

[Act No. 1873.—Bill No. 198.]

An act making appropriations for sundry expenses of the insular government for the fiscal year ending June thirtieth, nineteen hundred and nine, and other designated periods.

Enacted June 19, 1908.

Effective July 1, 1908.

[Act No. 1874.—Bill No. 244.]

An act to extend and regulate the responsibility of employers for personal injuries and deaths suffered by their employees while at work.

Enacted June 19, 1908.

Effective on passage.

[Act No. 1875.—Bill No. 214.]

An act amending Act Numbered Four hundred and ninety-six, entitled "The land registration act," and other acts relating thereto, to give greater facilities for obtaining titles and the registration of property in the Philippine Islands, appropriating the sum of two hundred and five thousand pesos for the judiciary and one hundred and fifty thousand pesos for the bureau of lands to meet the additional expenses involved, and for other purposes.

Enacted June 19, 1908.

Effective July 1, 1908.

[Concurrent Resolution No. 9.—A. C. R. No. 13.]

Providing that Commission matters pending in the Assembly and Assembly matters pending in the Commission shall continue in both houses as if the first session had not adjourned sine die.

Adopted, May 26, 1908.

The following bills and joint and concurrent resolutions originating in the Commission at the special session of the Legislature for the year 1908 were passed by the Assembly as they came from the Commission, or as amended were concurred in by the Commission:

[Act No. 1836.—Bill No. 45.]

An act providing for the expenditure of four thousand pesos for traveling expenses and subsistence of two delegates from the Philippine Islands to the International Congress on Tuberculosis to be held at Washington, District of Columbia, from September twenty-ninth to October twelfth, nineteen hundred and eight.

Enacted May 27, 1908.

Effective on passage.

[Act No. 1840.—Bill No. 54.]

An act designating the insular treasury as official depository for subscriptions to the Philippines Memorial in honor of deceased United States soldiers, sailors, and marines who succumbed in the Philippine Islands, and providing for the collection and disbursement of said funds.

Enacted May 30, 1908.

Effective on passage.

[Act No. 1842.—Bill No. 15.]

An act to provide for the granting of a franchise to construct, maintain, and operate telephone and telegraph systems, and to carry on other electrical transmission business in and between the provinces and municipalities of the Island of Panay.

Enacted May 30, 1908.

Effective on passage.

[Act No. 1843.—Bill No. 42.]

An act to amend Act Numbered Fifteen hundred and nineteen, entitled "An act to provide for inspecting and sealing weights and measures and to regulate their use," so as to authorize the continued use of the English system of weights and measures in the purchase and sale of manufactured lumber.

Enacted June 1, 1908.

Effective on passage.

[Act No. 1844.—Bill No. 48.]

An act to amend section three hundred and one of Act Numbered Three hundred and fifty-five of the Philippine Commission, known as "An act to constitute the customs service of the Philippine Archipelago and to provide for the administration thereof," as amended, in such manner as to prohibit the importation of merchandise into any port in the Philippine Islands other than an entry port, or in vessels of less than thirty tons burden.

Enacted June 1, 1908.

Effective on passage.

[Act No. 1845.—Bill No. 49.]

An act to increase the power of the provinces of Palawan and Mindoro in the matter of appropriation of provincial funds.

Enacted June 1, 1908.

Effective on passage.

[Act No. 1847.—Bill No. 40.]

An act amending sections nine and eleven of Act Numbered Eleven hundred and twenty, entitled "The friar lands act," providing for the manner of sale of unoccupied lands and the time within which deferred payments by purchasers of friar lands may be made.

Enacted June 3, 1908.

Effective on passage.

[Act No. 1848.—Bill No. 55.]

An act making certain authorizations without appropriation for sundry expenses of the insular government for the fiscal year ending June thirtieth, nineteen hundred and eight, and for other stated purposes.

Enacted June 3, 1908.

Effective on passage.

[Act No. 1850.—Bill No. 56.]

An act appropriating the sum of sixty-five thousand pesos and making available the unexpended balances of funds heretofore appropriated for the Philippine Assembly to provide for the expense of a special session of the Philippine Assembly.

Enacted June 4, 1908.

Effective on passage.

[Act No. 1851.—Bill No. 17.]

An act to provide for the protection of rights of property in telegraphic messages, and to prevent the forging or improper disclosure of telegrams.

Enacted June 9, 1908.

Effective on passage.

[Act No. 1859.—Bill No. 60.]

An act to promote the efficiency of the executive offices of the government by empowering the governor-general to transfer bureaus from the jurisdiction of one executive department to another.

Enacted June 13, 1908.

Effective on passage.

[Act No. 1860.—Bill No. 59.]

An act appropriating the sum of seventy-five thousand pesos from the insular treasury for the entertainment of the officers and men of the American fleet on the occasion of its proposed visit to the Philippine Islands, and authorizing the city of Manila to appropriate the sum of twenty-five thousand pesos for the same purpose.

Enacted June 15, 1908.

Effective on passage.

[Act No. 1861.—Bill No. 41.]

An act amending sections seventy-four and one hundred and seven of Act Numbered Eleven hundred and eighty-nine as amended.

Enacted June 16, 1908.

Effective on passage.

[Act No. 1862.—Bill No. 11.]

An act amending section fourteen of Act Numbered Sixteen hundred and twenty-seven.

Enacted June 16, 1908.

Effective on passage.

[Act No. 1863.—Bill No. 61.]

An act providing that the provinces of Palawan and Mindoro shall have their pro rata share of the special fund of ten per centum of internal revenue collections, created by Act Numbered Sixteen hundred and ninety-five, and payable to the road and bridge fund of certain provinces.

Enacted June 16, 1908.

Effective July 1, 1908.

[Act No. 1870.—Bill No. 33.]

An act for the purpose of founding a university for the Philippine Islands, giving it corporate existence, providing for a board of regents, defining the board's responsibilities and duties, providing higher and professional instruction, and for other purposes.

Enacted June 18, 1908.

Effective on passage.

[Act No. 1871.—Bill No. 63.]

An act making available for expenditure during the fiscal year nineteen hundred and nine and thereafter, the balance remaining from funds appropriated by Act Numbered Sixteen hundred and thirty-two, for examination for scholarships in the Philippine Medical School.

Enacted June 19, 1908.

Effective on passage.

[Concurrent Resolution No. 10.—C. C. R. No. 4.]

Providing that neither of the two houses of the Legislature shall present to the other any new legislation after June fifteenth, nineteen hundred and eight.

Adopted June 4, 1908.

At the inaugural session of the Legislature the most important bill passed was Act No. 1801 (Assembly Bill No. 10) appropriating ₱1,000,000 for the construction of barrio schools.

Act No. 1806 (Commission Bill No. 24) provides that merchandise in bond for customs duties may be withdrawn at any time for consumption, for transportation to another port, for exportation, or for delivery on board a vessel of the United States or a foreign vessel for use on board such vessel as ships' stores.

At the first session of the Legislature for the year 1908 the most important laws passed were:

Act No. 1815 (Assembly Bill No. 1) canceling loans made by the insular government to certain provincial and municipal governments prior to October 15, 1907. This bill accomplished the making of a gift to provincial and municipal governments of moneys which had been loaned out of the insular treasury to aid such provinces and municipalities.

Act No. 1820 (Assembly Bill No. 211) appropriated \$17,000 United States currency to pay the expenses of a delegate from the Philippine Islands to the International Navigation Congress.

Act No. 1827 (Assembly Bill No. 199) appropriated the sum of ₱100,000 to be expended in the discretion of the bureau of agriculture for the purpose of combating and exterminating animal diseases.

Act No. 1812 (Commission Bill No. 31) authorized the filing of the contracts of mortgage executed by the Manila Railroad Company with the division of archives, patents, copyrights, and trade-marks of the executive bureau and constituted such filing notice to all the world.

Act No. 1813 (Commission Bill No. 26) authorizes the governor-general to convey insular property to provinces and municipalities for public school purposes.

Act No. 1826 (Commission Bill No. 14) provides for the granting of a franchise to construct, maintain, and operate telephone and telegraph systems in the provinces of Albay and Ambos Camarines.

Act No. 1834 (Commission Bill No. 36) so amended the corporation law as to make effective the provision requiring the purchase of a certain percentage of the capital stock and the payment of cash or property at a fair value therefor.

At the special session of the Legislature for the year 1908 the most important laws passed were:

Act No. 1837 (Assembly Bill No. 196) appropriated the sum of ₱3,024,000 for public works and improvements.

Act No. 1841 (Assembly Bill No. 210) makes provision for the construction of a capitol building and creates a committee to prepare plans therefor.

Act No. 1849 (Assembly Bill No. 213) provides for the establishment of "The Philippine Public Library" and makes suitable provisions therefor.

Act No. 1854 (Assembly Bill No. 233) appropriated ₱750,000 annually for the promotion, establishment, and maintenance of irrigation systems in the Philippine Islands.

Act No. 1855 (Assembly Bill No. 243) appropriated the sum of ₱150,000 for the purchase and preparation of land for cattle quarantine stations in the cities of Manila, Cebu, and Iloilo.

Act No. 1856 (Assembly Bill No. 247) authorizes the construction of a Pantheon of illustrious Filipinos and provides for the appointment of a committee to take charge thereof.

Act No. 1864 (Assembly Bill No. 237) provides that the payment of homestead entry fees may be made in installments and provides for actual residence on the land cultivated and improved for the last two years of the period of five years during which it is required to be cultivated and improved.

Act No. 1865 (Assembly Bill No. 240) authorizes the establishment of a government agricultural bank and appropriates ₱1,000,000 from insular funds as capital therefor.

Act No. 1873 (Assembly Bill No. 198) makes appropriations for sundry expenses of the insular government for the fiscal year ending June 30, 1909.

Act No. 1874 (Assembly Bill No. 244) fixes the responsibility of employers for personal injuries and death suffered by their employees while at work.

Act No. 1842 (Commission Bill No. 15) authorizes the granting of a franchise for telephone and telegraph systems on the island of Panay.

Act No. 1843 (Commission Bill No. 42) provides for the inspection and sealing of weights and measures and regulates their use, and authorizes the continuance of the English system of weights and measures in the purchase and sale of manufactured lumber.

Act No. 1844 (Commission Bill No. 48) prohibits the importation of merchandise into any port in the Philippine Islands except an entry port or in vessels of less than 30 tons burden.

Act No. 1847 (Commission Bill No. 40) provides for the sale of unoccupied friar lands and permits payment therefor to be made in annual installments, the last installment being made payable one year prior to the maturity of the friar lands bonds.

Act No. 1851 (Commission Bill No. 17) provides for the protection of rights of property in telegraphic messages and prohibits the forging or disclosing of contents of telegrams.

Act No. 1859 (Commission Bill No. 60) authorizes the governor-general to transfer bureaus from the jurisdiction of one executive department to another.

Act No. 1860 (Commission Bill No. 59) appropriated ₱100,000 for the entertainment of the officers and men of the American fleet on the occasion of their visit to the Philippines.

Act No. 1870 (Commission Bill No. 33) provides for the establishment of a university in the Philippine Islands.

FINANCIAL STATEMENT, EXECUTIVE BUREAU.

The gross expenditure for salaries by the executive bureau was ₱303,226.18, and for other purposes ₱214,221.77. For some of the salaries and other expenses of this bureau reimbursement was made by other bureaus, consequently the statistics given in the report of the executive secretary as to expenditures do not agree with the figures given by the insular auditor, which are for the net expenses.

The income of the executive bureau from sources other than taxation was ₱14,632.07, as against ₱17,655.17 for the previous year, a decrease of ₱3,023.10.

The total expense was ₱474,569.07, as against ₱487,863.34 for the previous year, a decrease of ₱13,294.27.

The following table will show the income and disbursements of the executive bureau:

RECEIPTS.	
From sources other than taxation.....	<u><u>₱14,632.07</u></u>
EXPENDITURES.	
Permanent improvements: Furniture and fixtures.....	14,063.18
Supplies (unexpended).....	4,556.31
Administration:	
Salaries and wages.....	281,577.28
Expenses of personnel.....	7,015.02
Transportation.....	7,592.95
Office expenses.....	106,449.56
Special service.....	5,045.00
Miscellaneous general expenses.....	44,781.15
Maintenance of—	
Buildings.....	806.36
Furniture and fixtures.....	2,682.26
Total	<u><u>474,569.07</u></u>

For a further and more detailed report as to the operations of the executive bureau and of the provinces and municipalities falling under the jurisdiction of the governor-general, reference is hereby made to the report of the executive secretary, which is hereto annexed, made a part hereof, and marked "Exhibit No. 2."

CITY OF MANILA.

AMENDMENT OF THE CHARTER OF MANILA.

Prior to the going into effect of Act No. 1869 the government of the city of Manila was vested in a municipal board composed of five members, three of whom were directly appointed to the board by the governor-general and two, namely, the president of an advisory board and the city engineer, were *ex officio* members. The city was divided into 13 districts, and from each one resident and taxpayer was appointed by the governor-general as member of an advisory board, which was charged with the duty of bringing to the notice of the municipal board the special needs of the city and its inhabitants and to make such suggestions and recommendations to the municipal board or to the Commission relative to the welfare of the city and its residents as to it might seem proper. All ordinances fixing license fees or creating a liability for a sum exceeding \$10,000, or denouncing as an offense the violation of any city ordinance and imposing a penalty and fine or imprisonment therefor, or directing the condemnation of property for the use of the city, or making any contract for improvements in the city involving an expenditure of more than \$10,000, was required by the charter to be submitted to the

advisory board for its recommendation, and no action could be taken thereon by the municipal board until reasonable opportunity had been given to the advisory board to submit its recommendations or suggestions with regard to the same. The recommendations of the advisory board and its suggestions were purely advisory, however, and might be accepted or rejected as seemed advisable to the municipal board. The advisory board was required to hold meetings once every week, and each member was entitled to receive \$5 for each regular meeting which he attended. The board was authorized to appoint a secretary at a salary of \$1,600 a year. The total salary expense of the advisory board was ₱9,960 per annum.

The real and primary object of having an advisory board was to give to the taxpayers and residents of each of the 13 districts some voice in the affairs of the city, and it was expected that these representatives on the advisory board would prove a most valuable aid to the municipal board in the development of the city and in securing for each district the improvements which it needed and its importance demanded. Expectations in that behalf were not realized, and it may be said that instead of an aid in the development and improvement of the city it turned out to be something of an obstruction and a hindrance. Almost from the beginning the attitude of the advisory board was one of opposition to the municipal board, an attitude, by the way, which the making of the president of the advisory board an *ex officio* member of the municipal board did not remedy.

The net result was considerable friction between the two boards, and a clear demonstration that the advisory board stood in about the same relation to the municipal government that a fifth wheel does to a coach. When the recommendation, advice, or suggestion of the advisory board was in accord with the views of the municipal board, the recommendation, advice, or suggestion was adopted. Otherwise, it went the way of unwelcome advice or advice which fails to confirm the views of the advised. In a word, the municipal board did that which it thought best and the advice and counsel of the advisory board was, in the majority of cases, a mere form, asked for on the one hand and given on the other simply because the law required that course to be pursued.

In consequence of this condition of affairs, the committee on reorganization took the matter in hand and recommended that the city charter be modified by providing for the creation of a municipal council composed of 8 elective and 5 appointive members. This recommendation of the reorganization committee was submitted by Governor-General Ide to the Secretary of War with his comments. While the report of the reorganization committee was never formally submitted to the Commission for consideration, it may be

said that it is extremely doubtful whether such a radical change in the charter of the city would have been approved by that body.

In the closing hours of the special session of the Philippine Legislature, the Assembly passed a bill which radically changed the entire charter of the city of Manila and made the governing officials elective. This bill, as passed in the lower house, did not meet the approval of the Commission. The Commission believed, however, that the advisory body was a useless appendage, nonrepresentative and wholly uninfluential in the government of the city and that it should be abolished. In consequence, a bill was prepared abolishing the advisory board, conceding to the people the privilege of electing, from each of the Assembly districts of the city, one representative to the municipal board, and giving to the taxpayers a genuine and valuable representation in the government of the city. The municipal board, as constituted by the substitute measure, is composed of three appointive members, one *ex officio* member (the city engineer), and two elective members, with the power in the governor-general to appoint a seventh member for the purpose of breaking a tie. The substitute bill was agreed to by the Assembly and became law on July 1, 1908.

The amendment to the charter thereby accomplished made no radical change in the government of the municipal corporation known as Manila, yet by many it was bitterly opposed as a surrender of the city to demagogues, political agitators, and exploiters—a criticism, by the way, which in most cases, strange to say, came from the lips of those who not many years ago had inveighed against one-man power in city affairs, had condemned the city government as nonrepresentative, and had demanded the right to elect a mayor and common council. As the governor-general has the power to refuse to confirm the election of any person who is ineligible or morally unfit to hold public office, as four of the six members of the municipal board are appointees, and as the elected members may be removed by the executive in the same way and for the same causes as provincial governors, it would seem that the danger of surrender of the city to demagogues, agitators, and exploiters is somewhat remote. In some cases criticism of the change in the composition of the municipal board undoubtedly resulted from a false impression as to the effect of the law, and in some, discontent with the change had its inspiration in reasons other than those alleged. The criticism made of the amendment to the city charter was also made of the change in the composition of the provincial boards. Time and the test of actual experience failed to justify the criticisms of the composition of provincial boards and time and experience will do the same for the criticism of the change in the municipal board.

DEPARTMENT OF ENGINEERING AND PUBLIC WORKS.

Purchase of land.—During the year the city purchased more than 300,000 square meters of land for street widening, street straightening, pumping stations for the new sewer system, right of way for new water pipe line, school sites, and parks.

Parks.—There were purchased for park purposes for ₱37,500 100,000 square meters located in Malate, adjoining the San Antonio Abad property, now in possession of the army, but to be surrendered to the city within the near future. A park at this point is required by the Burnham plans and it seemed to the Executive that the purchase of this property at this time was wise and he so recommended to the municipality. This tract is within the city limits, and added to the lands included in the San Antonio Abad reserve, will make a splendid park just at the point where it will be most needed as the city extends toward Pasay, a suburb of Manila. But little interest is taken as a usual rule by the people of Manila in parks or squares, and the purchase of this property was not regarded with favor. The creation of parks and squares, beautiful lawns and open spaces in large cities is a modern idea which has received the approval of the most advanced cities of the world, and it may be confidently expected that the Filipino population, whose experience with parks prior to American occupation was rather limited, will in the no distant future approve and applaud a purchase which it now regards as an inexcusable extravagance. Indeed, if the increases in valuations in that vicinity during the last ten years are any criterion of valuations for the next ten years, the city should be congratulated upon having effected a purchase at this time which it might not be able to make without embarrassment ten years later.

Streets.—There are maintained and kept in repair in the city of Manila 146½ kilometers of streets, covering an area of 1,360,229 square meters. Of the total area, 17,433 meters are paved with wooden blocks, 34,392 with granite blocks, 415 with asphalt, and 1,307,989 are macadamized. Street improvement and street repair constitute one of the great items of city expense, and that which makes the street improvement and street repair so expensive is paving. Curbing, guttering, and sidewalking of streets once done require but little maintenance and are not serious items of expense. The paving of streets, however, seems never to end in the tropics. Large sums every year are expended by the city in keeping its highways in decent condition. Wooden blocks, a surfacing compound called erminite, and crushed stone surfaced with a mixture of coal tar and pitch and then covered with a half inch of washed screenings, have all been used in the hope that the annual expense resulting from

street repairing would be materially reduced. None of these methods or materials has proved to be resistant; even wooden blocks from Tasmania tarred and laid upon a base of 5 inches of concrete yielded to the destroying influence of the rain, the sun, and the traffic, and within less than five years after having been put in place, almost the whole surface paved with this material has decayed to the consistency of a wet sponge, and will have to be taken up. From experiments had with wooden paving of many different kinds, it is clear that the results achieved are out of all proportion to the cost of original installation. Experiments are now being carried on with sheet sections of concrete 8 inches thick, and so far the results obtained are satisfactory. The cost of laying these concrete sections is about one-third that of wooden paving, and it is hoped that this class of street surfacing will prove durable and solve one of the principal difficulties encountered in maintaining good streets in the Philippines. Asphalt laid on the Ayala Bridge gave reasonable wear for about three years, and if this material can be obtained for a reasonable price, it can be used with good results on streets not subjected to the wear and tear of vehicles heavily laden. Whatever may be the results of these experiments with various paving materials, it is clear that for many years to come the city will be forced to use macadam for the paving of the greater portion of its street area.

The laying of pipes for the new water supply and the construction of the new sewer system have combined to keep the streets in a state of disrepair. As there are thousands of excavations yet to be made throughout the city for the purpose of making house connections, it may be safely said that it will require nearly three years to again put the streets of Manila in first-class condition.

In making repairs to streets three 10-ton steam road rollers were kept in use during the year, for an average of two hundred and fifteen working days each. One of these is of the Kelly-Springfield type and two of the Buffalo-Pitts type. Owing to the increased work of street repair, it was found that three road rollers were not sufficient to meet the demands of the service, and a fourth has been purchased, but has not yet been delivered. Repairs to these three road rollers during the year cost ₱4,700.

The quarry at Talim still furnishes the stone for macadamizing the streets. The total cost of breaking out and crushing this stone is ₱1.17 per cubic meter. The stone is towed a distance of 27 miles at a cost of 52 centavos a cubic meter, in scows, which cost for labor, material, and repairs ₱1.01 per cubic meter. The total cost of stone for street purposes laid down in the yards in Manila is ₱2.70 per cubic meter. The total amount of stone taken out of the quarry and delivered in Manila was 48,665 cubic meters. The following table will

show the quantities quarried and relative cost per cubic meter delivered in Manila, for the years 1907 and 1908:

Year.	Quantity.	Quarrying.	Towing.	Loading in scows and unloading.	Total cost per meter.
	<i>Cubic meter.</i>	₱1.05	₱0.43	₱1.09	₱2.57
1907.....	44,891	1.17	.52	1.01	2.70
1908.....	48,665				

The increase in the cost of quarrying and loading is largely due to the fact that the rock broken out must now be carried for a greater distance from the face of the quarry to the crusher and the place of loading.

The total cost of street construction, maintenance, and repair was ₱290,203.08 as compared with ₱338,570.21 for the fiscal year 1907.

Bridges.—There are in the city of Manila 55 bridges of all descriptions, of which 17 are wooden. So long as these wooden structures require only light repairs they will be continued in use, and when more expensive repairs are demanded they will be replaced by bridges of more permanent materials.

The total cost of bridge construction, repair, and maintenance was ₱13,671.46, as against ₱238,201.48 for the preceding fiscal year. In the cost of bridge construction, repair, and maintenance for the preceding fiscal year are included the Ayala Bridge and the repair and construction of the Pasig River wall.

Water supply.—There were pumped for consumption by the city 7,364,985 cubic meters of water, or an average of 613,749 cubic meters per month, which on the basis of 220,000 population would give 92.99 liters or 24.56 gallons to each inhabitant per day.

The following table will show the quantity of water in cubic meters pumped during the fiscal years 1906, 1907, and 1908, the quantity in liters and gallons for each inhabitant, and the total coal consumption for pumping:

Year.	Quantity.	Per capita per day.		Coal consumption.
	<i>Cubic meters.</i>	<i>Liters.</i>	<i>Gallons.</i>	<i>Tons.</i>
1906.....	8,443,455	106.60	28.16	2,771
1907.....	7,471,762	94.34	24.92	2,741
1908.....	7,364,985	92.99	25.56	2,166.5

Of the total amount of water consumed 66.2 per cent was paid for and 33.8 per cent was supplied free to public hydrants, to the beneficiaries under the Carriedo will, and for municipal and insular pur-

poses. The total receipts from water rents were ₱234,478.23, as compared with ₱221,187.98 for the fiscal year 1907, and ₱210,738.69 for the fiscal year 1906.

No increases to the distribution system of great importance were made during the year. The additions were one 8-inch main, 118 meters in length, on Calle Victoria, Intramuros, one 6-inch main, 180 meters in length, in the district of San Nicolas, and about 800 meters of 4-inch mains in various parts of the city. The water mains of the city vary from 4 to 26 inches in diameter and have a linear extension of 89,062 meters or about 55 miles. Immediately prior to American occupation the linear extension of the distribution system of the Carriedo water supply was 61,578 meters, or about 38 miles. To complete the water distribution system as contemplated, 52 miles of water pipe, in addition to the 55 miles already in place, will have to be laid, at an estimated cost of not less than ₱800,000.

During the year 419 hydrants were installed in the city, of which 281 were fire and 138 for public use. On June 30, 1908, there were 4,407 house water service installations in the city, an increase of 162 over the previous year. The number of installations in 1907 was 4,245, and that of 1906 4,048.

The free, unmetered distribution of water is provocative of waste and leaves the officials charged with its economical distribution without any means of detecting its improper and wasteful use or loss by failure to make needed repairs to pipes, faucets, or hydrants. The Carriedo water system furnishes at the present time a little over 6,000,000 gallons of water per day, or about 25 gallons per inhabitant. Before November 15 of this year the new water-supply system will be so far completed as to permit of the delivery to the city of Manila of 15,000,000 gallons per day, or nearly 70 gallons per inhabitant. When the dam at Montalban has been fully completed, water at the rate of 22,500,000 gallons, or about 100 gallons per inhabitant, can be furnished daily to the city. The new reservoir at San Juan del Monte, with a capacity of 50,000,000 gallons, has been practically completed. The connection of the new reservoir with the supply at the Montalban Dam and with the distribution system of the city of Manila is such that in case the reservoir should become polluted for any reason it may be cut out and water delivered direct from the dam to the distribution system. This will permit of the emptying, cleaning, and disinfecting of the reservoir without interfering with the delivery of water direct to the distribution system of the city.

Sewer system.—That portion of the city of Manila which is on the north side of the Pasig River has an elevation of from 4 to 8 feet and that to the south of the river from 4 to 12 feet above mean low water. Prior to American occupation no system of sewers and only a very inadequate system of drainage was ever constructed or

attempted for the city of Manila. There were some sewers in the walled city and here and there throughout the city, but a sewerage system as such did not exist, and such sewers as were constructed almost wholly failed to meet the purpose for which they were built. Drains were quite plentiful in the walled city, but they were scarcely equal to the task of removing storm water from the streets. Some of these drains emptied into the river, although most of them found an outlet in the moat. In time many of these came to be used for sewage, although not designed for the purpose, and the result was the conversion of the moat around the walled city into a monster open sewer. In other parts of the city the accumulations of filth and refuse found their way in a large measure into the esteros. The tides which backed up into these esteros and the heavy rains of the rainy season served to keep them flushed to some extent. In the dry season, however, when the movement of the water in the esteros is the result of the rise and fall of the tide, the flow was sluggish and the esteros, large and small, if not an actual menace to public health, became foul smelling and offensive.

In 1904 plans for a sewer system for a population of 450,000 were prepared by Mr. O. L. Ingalls, then city engineer, and these were accompanied by a detailed report as to the features of the system. The estimated cost of the sewer system was ₱3,416,473.30. These plans were submitted to Mr. Desmond Fitzgerald, a renowned engineer of wide experience in the construction of water and sewer systems, and were by him approved with some slight changes and modifications.

The sewerage system adopted is that known as the pumping system, the principle of which is that the sewers start at the upper ends at a minimum depth of 5 feet below the surface and continue their descent until economy of construction requires the raising of the sewage matter by pumping to a higher level into a sewer at the minimum depth, which in its turn continues descending until it again becomes necessary to establish another pumping station. The sewage thus forced from one minor pumping station to another is finally collected at a main pumping station on the Tondo beach, where it is raised and forced through cast-iron pipes laid on piling below the level of the bottom of the bay and carried out for a considerable distance from shore to the established outlet.

Contracts were let to the Atlantic, Gulf and Pacific Company for the construction of the sewer system for ₱1,631,053.20, the work to be completed according to contract on or before June 30, 1909. The work is now 85 per cent completed, and it is expected that by the end of January the pumping stations will be all complete and ready for operation and that all the principal districts will be connected up, so that house connections may be made. This sewer system will not

reach the districts of Gaglañgin, Pandacan, Santa Ana, or Pasay, nor would it be economical to do so, as they are so small as hardly to justify the expense of pumping. Sewage from Pandacan and Santa Ana, after passing through septic vaults and being disinfected, will probably find an outlet in the river. Septic vaults, with a discharge into the waters of the bay, could economically dispose of the sewage of Gaglañgin and Pasay for some years to come.

Drainage.—A plentiful supply of fresh, clear water and an adequate system will do much toward putting the city in a sound sanitary condition. But before Manila can be regarded as on a wholly satisfactory sanitary basis the great problem of surface drainage must be properly solved. Large areas within the city limits have been used since time immemorial for paddy fields and larger areas still, especially in the Tondo and Meisic districts, are so much lower than the street levels that the water has little or no chance to escape and stands upon the ground until evaporated by the sun or absorbed by the soil. These latter places are breeding spots for mosquitoes and consequently a menace to the health of those living in the vicinity.

Three means of remedying this matter have been suggested: (1) By dredging out a new harbor along the Tondo beach and raising the low places with the dredged material; (2) to establish a drainage basin and from there pump the surface water into the bay or the nearest large estero; and (3) to drain the low areas as far as possible into the smaller esteros, which it is believed will accomplish the drainage of these districts if the back flow of the tide is checked by tide gates conveniently placed in the drainage esteros.

The first plan is practicable but would prove very costly, as it is estimated that a very large area would have to be raised not less than 3 feet. Considering the distance for which the piping for a hydraulic dredge would have to be laid, it is estimated that the dredged matter in place would cost from 20 to 25 cents gold per cubic meter. The second is, at best, of doubtful practicability and in all probability would prove more costly than useful. The third is certainly very attractive and would solve the drainage problem for the districts mentioned at a minimum of cost both for operation and maintenance. One great difficulty of putting this plan into effect is the little fall which can be given to the drainage ditches, and another is the certainty that in the rainy season, when drainage is needed, the esteros will prove wholly unequal to the task of carrying off the surface water while the tide gates may be kept open. Drainage into the esteros will be tried on the San Lazaro estate in the near future, and if successful the work will be extended into other districts. An appropriation has been made by the city for some dredging work on the esteros. This will improve the waterways, facilitate drainage a little, and furnish considerable material for fills.

Lately there has been some considerable disposition to make comparisons between the city of Manila and the modern well-regulated cities of the United States. Surprise is expressed that the cleaning of the esteros, the draining of certain large districts, and the general sanitation of the city has not been accomplished. True, there is considerable sanitary work to be done in Manila, but what seems to be forgotten is that the same may be said of any large city of the world more than 50 years old. What seems to be forgotten is that Manila covers an area of more than 12 square miles, most of it only a few feet above tide water, that the city is some centuries old, and that its drainage, the raising of its level, and the correction of its sanitary defects can hardly be accomplished between two days. The American Government has been in the Philippines a little more than ten years, some three of which were devoted to warfare and the suppression of public disorder. Before damning the government because everything has not been done, it might be advisable to stop a moment and compare the condition of Manila on August 13, 1898, with its condition on June 30, 1908. Prior to American occupation Manila never had a sewer system, never had a drainage system, never had an adequate supply of potable water, nor any supply, until Carriedo, a noble Spaniard, furnished the means to construct the water system now in use.

From the time that Manila was a village—and that was a long time ago—until the year 1902 the filth and nastiness of the strong material districts found their way into the mote or into sluggish esteros that meander through the city. From time immemorial until some six years ago the filth of the nipa districts, which cover a large area, was either deposited under the dwelling or carelessly distributed over the neighboring landscape.

As a temporary measure of relief from these conditions public midden sheds were constructed in 76 different localities and a pail system was established. No one ever considered these measures as anything but temporary and every one knows, or should know, that no adequate or permanent relief can be expected until a plentiful supply of fresh water is brought to every door and a proper sewer and drainage system has been furnished to Manila.

One of the very first works undertaken under the American régime was the preparation of plans for an adequate supply of fresh, clean water and the construction of a modern sewer system.

The Philippine government is the poorest in resource of all the governments of the civilized world. Its net revenue for the fiscal year 1908 for all insular, provincial, and municipal purposes was \$1.91 gold per capita. Porto Rico, Bulgaria, Servia, all have more money per capita than the Philippines. Compared with the insular government, the Cuban Government is a millionaire ten times over.

Nevertheless, the citizen and resident of the Philippines, like the citizens and residents of other countries, is disposed to ask for all kinds and classes of public improvements, which cost money and plenty of it. When asked to pay the taxes necessary to meet the cost, however, he is just as free in his denunciation of the tax as he was of the lack of the improvement. Every measure that has been undertaken for the protection of the health of the people and to secure them against contagious diseases has been bitterly fought, opposed, and resisted by those for whose benefit the measures were primarily intended. Every medical man who has been charged with responsibility for the public health has been compelled to walk unshod to his goal over the thorny road of criticism, denunciation, and calumny. No health ordinance meant to protect the people from disease and contagion has been proposed but that a concerted attempt to emasculate and destroy it has been initiated by the very people most to be advantaged by its passage.

Even as late as the last session of the Philippine Legislature a determined effort was made to do away with the health districts of the city of Manila and to reduce the number of medical men who are charged with the duty of remedying, as far as possible, insanitary conditions and unsanitary methods of living.

Every endeavor to oblige the property holder to tear down the squalid hovels used as habitations by the poor and to erect decent buildings of light materials for his tenants has been stubbornly resisted and made the subject of denunciation by the agitator and mountebank, who found therein a veritable mint of political capital.

Sanitary measures, sanitary information, regulations for the suppression of epidemics, respected throughout the scientific world as founded on sound sense and right reason, have been combatted, opposed, and denounced as foolish in the Philippines. The creation of public parks, the maintenance of beautiful lawns, the establishment of breathing places for the people, and the purchase of land for these purposes have been condemned as wanton extravagance and as a woeful waste of the public moneys. The demagogue and the conscienceless politician have on countless occasions demanded the resignation of the director of health and the secretary of the interior when they sought to enforce well-recognized and established sanitary measures. And now they are no less vigorous in joining in the outcry because cholera has not been suppressed in a few days, a disease which has existed in the Philippines and in the city of Manila, as shown by the records, since the year 1817—a disease, by the way, whose existence was frequently denied by these very same demagogues and political hacks in the teeth of the declaration of able doctors and able scientists, respected for their learning and attainments everywhere except in the Philippines.

The bureau of health, the municipal board, and the department of sanitation of the city of Manila have encountered the same opposition here to health measures which is offered to modern sanitation in every oriental country with the exception of Japan, and that these departments of the Government have accomplished so much for the health of the city and the betterment of sanitary conditions entitles them to the highest commendation and praise. If things have been left undone, they have been left undone because all things can not be accomplished at once. If there has been negligence here and there in the inspection of dwelling houses, let that be attributed rather to the personal equation than to incompetency of important departments or bureaus. These departments and bureaus of the Government are entitled to be judged by the results achieved, and he is indeed a lying critic who will say they have accomplished nothing. The reduction of the death rate in the city of Manila, the keeping of cholera within bounds whenever it has made its appearance, the stamping out of plague, the reduction to reasonable proportions of smallpox, which in 1898 was almost a common disease, say something for the men and the officials who have labored so earnestly and so efficiently in the face of great difficulties and without the hope of even common gratitude.

Lighting.—The streets of the city of Manila are lighted by 402 arc and 327 incandescent street lights. Inclosed arc lights are being substituted for incandescent lights as rapidly as possible. During the fiscal year just passed the electric light company furnished current to approximately 67,018 incandescent, 206 inclosed multiple arc, and 22 open arc lights, and to 17 Nernst lamps, 972 power motors, 614 desk fans, and 350 ceiling fans.

Rates for the sale of electric current are subject to regulation by the municipal board, by and with the approval of the advisory board and the Philippine Commission. During the year many complaints were made to the municipal board touching the rates charged for current, and some months ago a committee was appointed for the purpose of investigating the cost of production and the reasonableness of the prices exacted. This committee has submitted its findings to the board, but as yet no definite action has been taken.

Surveys and maps.—During the past year surveys were made of the following streets: Calle Beata, Pandacan; Mandaloyan road to Barrio de Punta; Calle San Roque, Santa Ana; and extensions of various streets in Sampaloc district. Surveys for street widening were also made of Calle Bustillos, Arranque; Calle Real, Calle Bangbang and Calle Nozaleda, Paco; Calle Real, Ermita; Calle Real and Calle San Roque, Santa Ana; Calle Sangleyes; Calle Nueva, Malate; Calle Echague; Calle Moriones; Calle Malacañang; Calle San Rafael;

Calle Remedios; Calle Concepcion; Calle San Jose, Binondo; Calle Lardizabal; Calle Jolo; Calle Lemery; Calle Morga.

The 1 to 1,000 plan of the city placed on 26 sheets has been practically completed, and from these a map of the city on a scale of 1 to 5,000 will be made and published by January 1, 1909.

The detail block plan of 1 to 400 will require another year to complete. When finished this plan will cover 1,000 sheets and will be invaluable for statistical information of every description. The block plan will show all water mains, conduits, underground structures, hydrants for water and fire departments, and population by blocks for the school, health, and police departments of the government.

There have been placed 150 street monuments at the intersection of range lines which are parallel to and 50 centimeters from the approved building lines. The work of placing these monuments has been carried on principally in Ermita, San Miguel, and Sampaloc. Every care having been taken in accurately locating these monuments and in fixing the true bearings of street lines, they will prove most valuable to surveyors, the court of land registration, the city assessor, and others interested in the accurate description of properties and their proper location with reference to the streets. As the city is undergoing a reconstruction of its street lines, the placing of street monuments must of necessity be a continuing work.

Repairs to public buildings.—During the year painting and repairs were made to the police station at Cuartel Meisic, the matadero, and the city hall. The Paco fire station was rebuilt and a second story added. The old quartermaster shops on Calle San Fernando were renovated and the interior was modified so as to fit it for school purposes. This building as remodeled now accommodates 750 pupils, and in consequence the city has been enabled to vacate three buildings rented for school purposes in the district. The approaches to Palomar crematory were reconstructed, and large elevated bins to facilitate the handling of crushed stone were built on the river front near the Arroceros shops. Additional public closets to the number of eight were constructed in Paco, Malate, San Miguel, Quiapo, and Tondo. The total number of closets now installed in the city is 76.

Private buildings and repairs.—New buildings of strong materials to the value of ₱1,030,650, and of light materials to the value of ₱144,852, were constructed during the year. Repairs to buildings of strong materials were made to the value of ₱207,815, and to those of light materials to the value of ₱141,487. The following table shows the value of construction and repair of buildings of strong and light materials in the years 1907 and 1908 according to districts:

Private building construction by districts.

	Strong materials.				Light materials.			
	New buildings.		Repairs.		New buildings.		Repairs.	
	Permits.	Value.	Permits.	Value.	Permits.	Value.	Permits.	Value.
Binondo.....	56	P37,725	151	P38,995				
Ermita.....	54	311,365	92	18,343				
Intramuros.....	26	5,775	69	14,620				
Malate.....	21	21,440	32	6,724	209	P24,849	509	P21,571
Paco.....	35	48,995	28	5,409	59	8,400	252	13,207
Pandacan.....			6	12,730	16	2,025	92	4,730
Quisapo.....	32	19,150	78	10,815				
Sampaloc.....	35	36,280	56	8,280	320	51,645	631	34,624
San Miguel.....	23	43,640	41	20,178				
San Nicolas.....	36	166,805	260	22,610				
Santa Ana.....	2	1,800	5	11,565	32	4,390	190	9,703
Santa Cruz.....	51	204,790	132	23,096	193	24,033	424	15,952
Tondo.....	68	129,885	58	14,490	282	29,180	1,188	41,670
Total, fiscal year 1908.....	459	1,030,650	1,008	207,815	1,111	144,852	3,286	141,487
Total, fiscal year 1907.....	809	958,097	946	243,569	1,119	150,713	3,079	146,337
Difference.....	350	72,553	62	35,754	8	6,131	207	4,850

From the foregoing table it appears that only 459 permits for buildings were granted in 1908, as compared with 809 for the previous year, but the value of the buildings erected exceeds that of the previous year by P72,553, which indicates a gratifying improvement in the class constructed.

Financial.—Receipts of the city of Manila from the department of engineering and public works were as follows:

RECEIPTS.

Fees, boiler inspection.....	P664.00
Building permits.....	14,994.87
Water rents.....	250,962.91
Water supply shops.....	993.98
City shops.....	7,763.91
Street construction.....	9,195.56
Sewer installation.....	412.02
Miscellaneous.....	15,076.47
	300,063.72

The cost of administration and operation of the department of engineering and public works was as follows:

EXPENDITURES.

Administration:

Salaries and wages.....	P78,642.61
Transportation and traveling expenses of personnel.....	10,978.43
Office expenses: Lighting, distilled water, stationery, postage, etc..	12,514.55
Rentals.....	931.73
General expenses: Electric power for lift bridge, street lighting, cost of collecting operating receipts, and miscellaneous.....	87,720.71

Operation:

Salaries and wages: Superintendence and labor, water supply.....	59,621.59
Superintendence and labor, city shops.....	12,484.66
Miscellaneous expenses.....	41,396.22

Permanent improvements: Construction of streets and bridges, new water mains and sewers, stationary machinery, tools, etc.....	₱12,587.31
Maintenance: Buildings, streets, roads, water-supply system, launches, etc.....	358,580.29
Prior fiscal years:	
Accounts settled during present year.....	547.52
Supplies (unexpended).....	11,685.47
	<hr/> 687,691.09

POLICE DEPARTMENT.

Police force.—The police force of the city of Manila is composed of 1 chief, 1 assistant chief, 6 captains, 22 first-class sergeants, 136 first-class patrolmen, 10 second-class sergeants, 6 third-class sergeants, 22 second-class patrolmen, and 255 third-class patrolmen; a total of 459.

Salaries and wages.—Of first-class patrolmen 15 receive ₱1,500 per annum, 7 receive ₱2,000, 1 is paid ₱2,160, and 113 are given the maximum salary of ₱2,280. Of second-class patrolmen 22 receive the maximum salary of ₱900 per annum. Of third-class patrolmen 13 receive a salary of ₱480 per annum, 6 receive ₱600, 10 are paid ₱660, and 228 get the maximum salary of ₱720.

The members of the police force are entitled to increased pay for length of service.

Arrests.—The arrests made numbered 11,061, a decrease of 276 as compared with the previous year. The following table will show the chief causes for arrest made during the fiscal years 1906, 1907, and 1908:

	1906.	1907.	1908.
Gambling and conducting gambling.....	2,698	2,899	2,728
Disorderly conduct.....	1,170	901	790
Cruelty to animals.....		551	437
Violation of sanitary regulations.....		426	358
Violation of opium law.....		374	653
Blocking the highway.....	469	350	261
Theft.....	608	300	243
Violation of license regulations.....		243	189
Vagrancy.....	409	211	145
Larceny.....	279	203	201
Assault.....	358	111	108
Embezzlement.....	146	15	46

By nationalities the arrests were as follows:

Americans.....	480
Europeans.....	88
Australians.....	1
Natives.....	8,359
Chinese.....	2,085
Japanese.....	23
East Indians.....	19
Americans (colored).....	6

11,061

Of those arrested 9,450 were males and 1,611 females.

Secret service.—The secret service bureau recovered money to the amount of ₱8,106.76, and stolen property to the value of ₱23,450.56, a total of ₱31,557.32 as the value of all property recovered.

Police fund.—This is a fund which has been created for the benefit of the members of the police force, and out of it are paid the funeral expenses of members of the department. The status of this fund is as follows:

Receipts:

Balance on hand, July 1, 1907.....	₱5,501.98
Receipts from fines.....	524.65
Donations.....	112.61
Interest on fixed deposit.....	175.00
	<hr/> 6,314.24

Expenditures:

Funeral expenses of two Filipino policemen.....	₱300.00
Funeral expenses of one first-class policeman.....	150.00
Removing remains of Zena C. Long from Pasay Cemetery to Cementerio del Norte.....	50.00
Purchase of three graves.....	54.00
Music at funerals.....	86.00
White gloves and mourning bands for funerals.....	114.17
Wreaths for graves, Decoration Day.....	60.00
Incidental charge: Expenses for funeral of Florentino del Mundo, March, 1905.....	30.50
	<hr/> 844.67
Balance on hand June 30, 1908.....	5,469.57

Of the balance on hand, ₱5,175 is on fixed deposit, ₱219.83 on current account, and ₱74.74 in charge of the storekeeper, police department.

Financial, police department.—The following is a financial statement of the police department:

RECEIPTS.

Liquor licenses.....	₱162,329.50
Business licenses.....	22,949.01
Entertainment licenses.....	9,601.00
Peddlers' licenses.....	9,063.00
Vehicle licenses.....	14,340.00
Dog licenses.....	6,250.05
Miscellaneous.....	1,543.47
	<hr/> 226,076.03

EXPENDITURES.

Administration:

Salaries and wages.....	₱672,716.08
Transportation and traveling expenses.....	15,109.08
Office expenses: Cablegrams, electric light, ice, distilled water, stationery, etc.....	12,811.16
Rentals of buildings, police stations.....	2,400.00
Special service: Secret service.....	164.60

Administration—Continued.

General incidental expenses: Maintenance of prisoners in stations, water, lights, etc.....	₱23,454.56
Transportation.....	5,915.33
Permanent improvements: Extension of police telegraph, furniture, fixtures, and equipment.....	6,491.51
Maintenance of buildings: Telegraph system, repairs to furniture and equipment.....	7,762.89
Prior fiscal years: Accounts settled.....	163.73
	<hr/> 746,988.94

FIRE DEPARTMENT.

Force.—The force of the fire department consists of 1 chief, 1 deputy chief, 1 chief engineer, 8 captains, 13 lieutenants, 5 first-class engineers, 9 second-class engineers, 45 first-class firemen, 50 second-class firemen, 1 mechanic, 5 linemen, 1 chief clerk, and 2 clerks—a total of 142.

Equipment.—The equipment of the fire department consists of 6 steam fire, 1 gasoline fire, and 4 chemical engines, 2 hook and ladder companies, and 1 Morse monitor nozzle installed on hose wagon No. 2. The total hose in service is 18,500 feet of 2½-inch hose, of which 16,000 feet are in good condition.

Fires.—The department responded to 122 fires within and 3 fires without the city limits, an increase of 7 over the fiscal year 1907. The principal causes of fires were as follows:

Incendiary.....	12
Suspected incendiary.....	10
Explosions of lamps.....	6
Defective flues.....	5
Overturning of candles.....	5
Upsetting of lamps.....	4
Sparks from kitchen fires.....	4
Defective electric wires.....	2
Explosion of ammunition, chemicals, fireworks, gasoline, etc.....	7
Other causes.....	67

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Total loss from fires.—The loss caused by fires, not including three fires in the barrio of Maytubig beyond the city limits, was:

To buildings.....	₱156,943.70
To contents.....	123,573.92
A total of	<hr/> 280,517.62

This property carried insurance to the amount of ₱115,145.

Losses from fires in Manila since 1903 have been as follows:

1903.....	₱1,670,650.00
1904.....	468,911.00
1905.....	135,931.00
1906.....	76,192.00
1907.....	677,709.00
1908.....	280,517.62

Financial.—The receipts and expenditures of the fire department were as follows:

RECEIPTS.

Fees, city electrician.....	₹6,656.15
Miscellaneous.....	113.90
	<hr/>
	6,770.05
	<hr/>

EXPENDITURES.

Administration:	
Salaries and wages.....	₹230,737.02
Transportation and traveling expenses of personnel.....	1,953.50
Transportation of forage, fuel, horseshoeing.....	22,834.96
Office expenses: Cablegrams, electric lighting, distilled water, ice, stationery, printing and binding, etc.....	8,079.70
Incidental general expenses: Collecting operating receipts, water rents, etc.....	4,630.50
Permanent improvements: Extension of fire-alarm telegraph, fire apparatus, etc.....	20,163.85
Maintenance of buildings: Fire-alarm apparatus, furniture, etc.....	11,108.41
Prior fiscal years: Accounts settled for prior fiscal years.....	720.25
	<hr/>
	300,228.19

LAW DEPARTMENT.

The law department is made up of the offices of the city attorney, prosecuting attorney, municipal court, register of deeds, justice of the peace, and sheriff.

Financial.—The receipts and expenditures of the law department were as follows:

RECEIPTS.

Fees:	
Registration of deeds.....	₹13,769.09
Sheriff.....	12,473.95
Justice of the peace.....	5,196.60
Fines and costs, municipal court.....	56,295.36
Miscellaneous.....	3,712.68
	<hr/>
	91,447.68
	<hr/>

EXPENDITURES.

Administration:	
Salaries and wages.....	₹92,254.55
Transportation and traveling expenses.....	2,429.55
Office expenses: Cablegrams, electric light, distilled water, stationery, printing and binding, telegrams, telephone, etc.....	5,671.93
Incidental expenses: Court costs and expenses of collecting, operating, receipts, etc.....	3,966.59
Permanent improvements: Office furniture and fixtures.....	1,295.80
Maintenance: Repairs.....	694.95
Prior fiscal years: Accounts settled for prior fiscal years.....	328.88
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	106,642.25

DEPARTMENT OF ASSESSMENTS AND COLLECTIONS.

Taxable value of real estate.—The total value of taxable real estate in the city of Manila, as shown by the tax rolls, is ₱81,943,694, an increase of ₱253,909 over that for the fiscal year 1907. Assessments of real estate are made only once in five years, but these assessments are subject to reduction for the value of buildings destroyed, or increase to the extent of the value of new buildings erected.

The work on the assessment map has made considerable progress during the year, 83 blocks containing 750 separate parcels of land having been carefully surveyed and properly platted.

Board of tax appeals.—Under the provisions of section 56 of Act No. 1793, enacted October 12, 1907, a board of tax appeals was organized, which is required to meet on the second Monday in January of each year for the purpose of hearing appeals duly transmitted to it and of deciding the same. This board has power to amend the listing and valuation of property, to reduce and correct, with the approval of the executive secretary first had, any and all erroneous or unjust assessments or valuations, to make a correct and just assessment, and to set the true valuation in each case in which it determines that the assessment previously made was erroneous or unjust.

This board of tax appeals determined 26 complaints submitted to it, involving property valued at ₱760,981. Valuations in 8 cases were reduced to the extent of ₱48,109.

Real estate taxes.—The amount derived by the city of Manila from real-estate taxes was ₱1,282,007.45, as compared with ₱1,302,855 collected during the fiscal year 1907. The difference in collections in favor of the year 1907 was due to the fact that during that year the delinquent lists were greatly reduced and but a small delinquent list was left for collection in the year 1908.

No property is offered for sale unless the tax on the same has been delinquent for two or more years, and two such sales were held during the fiscal year 1908. The following table will show the delinquent taxes outstanding on June 30 of the years 1906, 1907, and 1908:

Year.	1906.	1907.	1908.
1901.....	₱410.02	₱15.86	₱15.00
1902.....	2,367.64	115.02	50.16
1903.....	5,646.00	207.16	23.94
1904.....	20,034.29	1,076.36	106.65
1905.....	64,356.35	3,577.64	1,228.51
1906.....		53,658.53	5,679.17
1907.....			44,062.88
	92,814.90	58,650.77	51,224.31

The total value of all real estate in the city of Manila amounts to about ₱127,887,366, of which about ₱47,506,571 is exempt from taxation by reason of government ownership or because the property

is used by religious, charitable, or educational institutions. Property exempt from taxation may be classed as follows:

Insular government.....	₱15,522,165.00
Property claimed by U. S. Army.....	7,347,688.00
Property of city of Manila (inclusive of Luneta extension)	6,054,494.00
Government ownership, insular or municipal (not determined).....	3,149,356.00
Catholic churches.....	5,607,849.00
Protestant churches.....	322,386.00
Religious orders.....	9,437,763.00
Miscellaneous.....	64,870.00
	<hr/>
	47,506,571.00

Revenue from taxation.—The revenues of the city from taxation are as follows:

Real estate.....	₱1,282,007.45
Reversion to general revenue account of old "tax refund" appropriations.....	4,009.19
Internal revenue.....	169,904.40
Percentage on gross earnings resulting from municipal franchises.....	51,388.39
Road and bridge cedula tax, act No. 1695.....	52,234.00
Cedula tax, act No. 1695, dividend.....	13,213.03
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	1,572,756.46

Revenue derived from licenses.—The revenues of the city of Manila from licenses were as follows:

Liquor.....	₱162,329.50
Business licenses.....	22,949.01
Entertainment licenses.....	9,601.00
Licenses on peddlers.....	9,063.00
Licenses for vehicles.....	14,340.00
Dog licenses.....	6,250.05
Miscellaneous.....	1,543.47
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	226,076.03

Receipts from markets.—The receipts from the markets were ₱283,150.15, as compared with ₱238,711.46 in 1907. Receipts from the slaughterhouse amounted to ₱176,671.02, as compared with ₱164,962.63 for the previous year.

Other collections.—There were other collections made by the department of assessments and collections, but as they will be fully set out in the financial statement of the city they are omitted from consideration under this heading.

Financial.—The following is a financial statement:

Receipts from operation.....	₱10,478.65
	<hr/>
Cost of administration: General expenses.....	45,190.00
Prior fiscal years, accounts settled.....	190.00
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	45,380.00

DEPARTMENT OF CITY SCHOOLS.

Teaching and supervising force.—There are 324 teachers and supervising teachers in the city of Manila, of whom 262 are Filipinos and 62 Americans. Of the teachers 261 are paid by the city, the city superintendent of schools and the remaining 63 teachers being paid by the insular government.

Enrollment.—The following table will show the enrollment in the city schools for the years 1902 to and including the year 1908.

	During the month of June—						
	1902.	1903.	1904.	1905.	1906.	1907.	1908.
Day schools.....	2,244	3,046	5,767	7,803	8,311	8,346	9,166
Night schools.....	1,556	2,626	5,043	5,344	(a b)	(b)	1,181

a Closed through lack of funds.

b Not open on account of rainy season.

Industrial work.—Industrial work, especially along the line of handicrafts, received special emphasis in all the city schools. The time set apart during school hours for this class of school work was found insufficient, and as a result special industrial classes were formed to operate during the afternoon and outside of regular sessions provided by the regular courses of study. Special attention is given to simple wood carving, furniture repairing, simple fiber work, such as the construction of baskets, mats, fans, etc., to hat weaving in sabutan, butal, balangut, buri, and bamboo, and to needlework for girls, which includes everything from elementary plain sewing to the most difficult classes of embroidery and drawn work, to Indian lace, beadwork in belts, neck chains and fobs, and to the weaving of towels and blankets. Instruction in domestic science has also been made a special feature at the Meisic School. There are in attendance upon this school 127 girls, which has for its purpose the correction of certain defects in living conditions among the people.

School buildings.—The work of the construction of the Tondo School has begun. This building will occupy a full block, covering some 7,521 square meters, and will cost about ₱100,000, of which ₱50,000 was donated by the insular government. The value of the land dedicated to this school is about ₱16,000.

Financial.—The following is a statement of expenditures in this department:

Administration:

Salaries and wages.....	₱199,461. 69
Transportation and traveling expenses of personnel.....	2,992. 60
Transportation of equipment.....	1,306. 95
Office expenses: Electric lighting, distilled water, ice, stationery, printing and binding, telephone, etc.....	4,163. 51

Administration—Continued.

Rentals: Rent of buildings used for schools.....	₱40,488.33
Incidental expenses: School supplies and water rent.....	4,001.60
Permanent improvements: Machinery, tools, office furniture, and fixtures.....	1,076.84
Maintenance: Of school buildings and repairs to furniture and fixtures.....	8,324.91
Total.....	261,816.43

DEPARTMENT OF SANITATION AND TRANSPORTATION.

This department is charged with the duty of street sprinkling and street cleaning, flushing of drains, so far as possible, collection and disposal of garbage, house refuse, and dead animals, filling of low lands from street sweepings and other material available, disposal of night soil, the administration of the city pound, the sanitary care of markets and slaughterhouses, transportation of meats, care and administration of cemeteries, the maintenance and development of parks, care of city walls, beautifying the public grounds, and the furnishing of land transportation to the city and the insular government.

Financial.—The following is a statement of expenditures:

Cost of operation:

Salaries and wages, superintendence.....	₱73,762.71
Wages of labor: Cemeteries, parks, street cleaning, etc.....	364,375.41
Miscellaneous expenses: Cablegrams, distilled water, ice, stationery, telephone service, printing and binding, expenses of collecting operating receipts, forage, water, etc.....	291,258.58
Supplies (unexpended).....	9,556.02
Permanent improvements: Buildings, land transportation, equipment, machinery, tools, implements, etc.....	51,106.48
Maintenance: Buildings, transportation, equipment, machinery, etc.....	75,444.16
Prior fiscal years: Outstanding accounts settled during present fiscal year.....	4,820.27
Total.....	870,323.63

FINANCIAL STATEMENT, CITY OF MANILA.**INCOME.****Revenues from taxation:**

Real estate tax.....	₱1,282,007.45
Internal revenue.....	169,904.40
Percentage on gross earnings of franchises.....	51,388.39
Road and bridge cedula tax, act No. 1695.....	52,234.00
Road and bridge cedula tax, dividend.....	13,213.03
Reversion to general revenue account, appropriation for "tax refund".....	4,009.19

Total from taxation..... ₱1,572,756.46

Receipts from operation:

Municipal board.....	₱45. 70	
Department of assessments and collections.....	10, 478. 65	
Law department.....	91, 447. 68	
Police department (licenses, etc.).....	226, 076. 03	
Fire department (fees, city electrician, etc.)....	6, 770. 05	
Department of engineering and public works (water rents, etc.).....	300, 063. 72	
* Department of sanitation and transportation (matadero and market receipts, etc.).....	806, 048. 77	
Total from operation.....		₱1, 440, 930. 60
Sales of city land.....		24, 161. 24
Miscellaneous receipts:		
Rent of city lands.....	₱20, 758. 20	
Rent of telephone poles.....	1, 699. 88	
Escheats.....	2, 034. 68	
Interest on bank deposits (sewer and waterworks funds).....	137, 667. 22	
Miscellaneous.....	6, 219. 43	
Total miscellaneous receipts.....		168, 379. 41
Insular government contribution (30 per cent of appropriation for fiscal year 1908).....		1, 246, 224. 60
Total.....		<u>4, 452, 452. 31</u>

EXPENDITURE.

Administration:

Municipal board, disbursing office, advisory board, and public charities.....	₱205, 491. 00	
Law department.....	106, 642. 25	
Fire department.....	300, 228. 19	
Police department.....	746, 988. 94	
Department of city schools.....	261, 816. 43	
Department of engineering and public works.....	687, 691. 09	
Department of sanitation and transportation.....	870, 323. 63	
Department of assessments and collections.....	45, 380. 00	
Total for administration.....		₱3, 224, 561. 53
Fixed charges:		
Annual payments to sinking fund for sewer and waterworks construction bonds for fiscal year 1908.....	116, 220. 00	
Interest on sewer and waterworks construction bonds.....	240, 000. 00	
Exchange charges on transfer of interest on sewer and waterworks construction bonds.....	2, 475. 00	
Total fixed charges.....		358, 695. 00
Luneta extension loan: Payment of first and second installments.....		100, 000. 00
Investment of city of Manila insurance fund: Ninety-four shares of Banco-Español-Filipino capital stock.....		9, 400. 00
Capital expenditures: Permanent public improvements.....		110, 960. 19

Miscellaneous expenditures: Reimbursement to province of Rizal for construction of bridges across Mariquina River to protect water supply.....	1, 500. 00
Total	3, 805, 116. 72

RECAPITULATION.

Total income	P4, 452, 452. 31
Total expenditure	3, 805, 116. 72
Balance of receipts over expenditures	647, 335. 59

Statement of assets and liabilities.

ASSETS.

Real estate owned by city (inclusive of Luneta extension).....	P6, 802, 234. 43	
Real estate, school site.....	11, 213. 46	
		P6, 813, 447. 89
Permanent improvements:		
Equipment.....	1, 419, 605. 52	
New streets.....	49, 309. 60	
		1, 468, 915. 12
Sewer and waterworks, cost to date.....		4, 951, 314. 28
Current assets:		
Accounts receivable (deferred payments on sales of city lands).....	53, 635. 58	
Capital stock of Banco-Español-Filipino, 94 shares par value.....	23, 500. 00	
Investment of insurance fund.....	9, 400. 00	
		86, 535. 58
Cash:		
Sewer and waterworks bond fund.....	1, 467, 464. 54	
Sewer and waterworks sinking fund.....	200, 099. 04	
Balance of loan of insular government (Luneta extension).....	40, 970. 89	
Balance, current appropriations.....	289, 036. 34	
Cash in city revenue account.....	14, 425. 02	
		2, 011, 995. 83
Total		15, 332, 208. 70

LIABILITIES.

Total issue, sewer and waterworks bonds	P6, 000, 000. 00
Premium received on sale of sewer and waterworks bonds.....	425, 260. 70
Balance due insular government on Luneta extension loan.....	250, 000. 00
Sewer and waterworks construction sinking fund.....	200, 099. 04
Surplus of assets over liabilities, being capital property of the city of Manila or principal account.....	8, 456, 848. 96
Total	15, 332, 208. 70

Inventory of equipment (nonexpendable property).

Municipal board.....	₱12,316.18
Disbursing office.....	4,898.57
Law department:	
City attorney.....	₱13,804.38
Court of first instance.....	10,381.66
Sheriff's office.....	1,796.51
Municipal court.....	2,502.96
Justice of the peace.....	236.54
Prosecuting attorney.....	7,887.87
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	36,609.92
Fire department.....	332,038.68
Police department.....	80,024.63
Department of city schools.....	53,329.48
Department of engineering and public works.....	303,296.87
Department of sanitation and transportation.....	597,091.19
	<hr/>
Total.....	1,419,605.52

For further and more complete details as to the administration of the city of Manila reference is hereby made to the report of the municipal board, which is hereto annexed, made a part hereof, and marked "Exhibit No. 4."

Respectfully submitted.

JAMES F. SMITH,
Governor-General.

To the PHILIPPINE COMMISSION,
Manila, P. I.

EXHIBIT No. 1.

REPORT OF THE DIRECTOR OF CIVIL SERVICE.

MANILA, P. I., *August 10, 1908.*

SIR: I have the honor to submit the following report relating to the operation of the civil service law, and showing the work performed by the bureau of civil service during the fiscal year ended June 30, 1908:

EXAMINATIONS.

There were examined by this bureau 6,333 persons, an increase of 569, or 10 per cent over the number examined during the preceding year. Excluding examinations for skilled laborers, the following is a comparison of the number of persons examined during the fiscal years 1907 and 1908. The total number of persons who entered examinations given in the English language was 4,223, as compared with 3,720 during the preceding year, an increase of 503 or 14 per cent. This increase was due to the greater number of Filipino competitors, and while 3,701 Filipinos were examined, an increase of 623 or 20 per cent over the preceding year, only 522 Americans entered examinations, 120, or 19 per cent less than the year before. Of the Filipinos taking examinations in the English language 1,133, or 31 per cent passed, as compared with 631 or 21 per cent, during the preceding year, and of the Americans 300, or 57 per cent passed, as compared with 322, or 50 per cent during the preceding year.

It will be seen from the above that 20 per cent more Filipinos entered examinations given in the English language than during the preceding year, and that there was an increase of 502, or 80 per cent in the number who passed. These figures show that the Filipinos are gaining a better knowledge of the English language.

The number of Filipinos taking examinations in the Spanish language was 1,975, of whom 742, or 38 per cent passed, as compared with 1,863 examined during the preceding year, of whom 675, or 36 per cent passed. This was an increase of 112, or 6 per cent in the number taking examinations in the Spanish language, and of 10 per cent in the number of those who passed.

The junior surveyor examination, to which reference was made in the last annual report, was given in June of this year, 8 eligibles being obtained, all of whom have received appointment in the bureau of lands, and will be sent to the field under the supervision of competent surveyors. A junior computer examination was also prepared and given, 6 of the 22 applicants passing the examination. Only 2 persons passed the junior stenographer examination taken in English and 3 in Spanish. It is regretted that more of the young Filipinos who desire to enter the government service do not become proficient in stenography. They do fairly well in typewriting.

GOVERNMENT STUDENTS.

During the fiscal year about 60 students who had been in the United States four years or more returned to the Philippines, the greater number of whom, not having qualified in examination, are serving under a temporary status. Of these, some of whom were graduated from educational institutions in the United States, only 5 have succeeded in passing the higher grade examinations (2 the teacher and 3 the first grade); 10 others obtained eligible ratings in the lower grade examinations; a few have not taken any examination, and the remainder failed in examinations, some of which were of the lower grades. While the law contemplates their employment in the public service, it is evident that the majority will be incapable of filling higher grade positions for many years to come. There is little probability that they will be able to make adequate return to the government for the expense of sending them to the United States. It is proper to state, however, that these 60 government students were selected by favor and not through competitive examination, which latter method was subsequently adopted. Better results may therefore be confidently expected of those appointed through competitive examination.

APPOINTMENTS.

During the year 4,156 appointments were made to positions in the Philippine classified civil service, as compared with 3,812 during the preceding year. Of these 282 were made in the United States, as compared with 203 during the year ended June 30, 1907; 907 were made in the islands for original entrance to the classified service, as compared with 550 during the preceding year; and 2,967 were made through changes in the service (promotion, reduction, transfer, or reinstatement), as compared with 3,059 during the preceding year.

The number of promotions made in the classified service during the year was 2,404. Positions of chiefs and assistant chiefs of bureaus, superintendents, chiefs and assistant chiefs of divisions, chief clerks, provincial treasurers, district auditors, cashiers, tellers, translators, postmasters, examiners, appraisers, and craftsmen in the bureau of printing are almost invariably filled by promotion, transfer, or reinstatement—rarely by original appointment.

Of the 907 original appointments made in the islands, 419 were Filipinos from English registers, as compared with 204 during the preceding year, and 355 from Spanish registers, as compared with 226 during the preceding year, a total of 774 Filipinos, as compared with 430 for the preceding year. The number of Americans appointed in the islands was 133, as against 120 during the preceding year. Among the positions filled as a result of examinations given in the Philippines were included those of civil engineer, surveyor, teacher, bacteriologist, veterinarian, trained nurse, internal-revenue agent, deputy provincial treasurer, interpreter, stenographer, and bookkeeper.

The appointments, 282, made in the United States on certificate of the civil service commission, include 8 by transfer from the United States classified service and 30 reinstatements of former employees who had left the Philippine service and returned to the home land. Those appointed in the United States were principally teachers, civil engineers, surveyors, and men of scientific attainments, for the bureaus of science, agriculture, health, and forestry. Of the 282 appointed in the United States to classified positions there were 22 civil engineers, 25 surveyors, 9 accountants, 7 veterinarians, 33 stenographers and clerks, and 160 teachers, including a number of industrial teachers, of whom 28 were appointed as a result of the assistant examination. There is now little difficulty in obtaining well-qualified persons in the United States for this service.

There were also appointed in the United States without examination and certification of the civil service commission 23 persons, 19 of whom were for the constabulary, making a total of 305 appointed in the United States to the Philippine service during the fiscal year just ended.

Special points of interest in the above comparison are the excessive number of promotions (2,404), the increase of more than 100 per cent in the number of Filipinos appointed from English registers, the large increase in the number of Filipinos appointed from Spanish registers, and the necessity of bringing so large a number (over 300 during the year) of Americans from the United States to carry on the work of government. It is to be regretted that the instability of the service renders necessary so large a number of original appointments each year. With less than 6,000 persons in the classified service, 1,151 original appointments were made during the fiscal year ended June 30, 1908.

In the federal service during the year 70 appointments were made through the bureau of civil service, 52 being original and 18 by promotion, transfer, or reinstatement, as compared with a total of 77 during the preceding year. The greater portion of the classified federal positions are clerical and are filled by Americans. A larger proportion than formerly of semiskilled laborer positions in the Philippines division are now filled by Filipinos.

Each year shows an increased proportion of Filipinos in the insular service. On January 1 last there were 4,080 Filipinos in the service, as compared with 3,902 on the same date of the preceding year, and 2,479 Americans, as compared with 2,616 for 1907. The policy of appointing Filipinos when competent to classified positions made vacant by resignations of American employees has generally been followed. Entering the service as junior clerks, junior stenographers, junior typewriters, junior translators, junior draftsmen, junior surveyors, junior computers, junior compositors, Filipino teachers, etc., many Filipinos under the superintendence of competent instructors become useful employees.

While American officials are learning to get along without so many Americans in clerical positions to carry on the routine work of government, there is yet room for further substitution of Filipinos in these lines of work and opportunity at least to reduce salary expenditure. A much longer period must elapse, however, before

a most important part of government work—the constructive and scientific—can be carried on without the aid of trained Americans. In this latter line the splendid equipment of the home Government could render incalculable aid if its field of operations were extended to the Philippines and the accumulated training and experience of the last two decades thus become available in the development of the natural resources of the islands.

SALARY EXPENDITURE INCREASING.

During the calendar year 1907 there was a net decrease of 137 in the number of Americans having a regular status in the service and a consequent net decrease in the salary expenditure for Americans in the Philippine civil service. During the same period there was a net increase of 178 in the number of Filipinos having a regular status in the service and a large total increase in salary expenditure for Filipinos. Notwithstanding this reduction in the number and aggregate salaries of Americans, the total expenditure of the government for salaries and wages, not including the salary expenditure on account of the Philippine Assembly, was considerably increased, as shown in the tables in the appendix of this report.

This is particularly noticeable in the provincial service. There is reason to believe that salary expenditure in the provinces could be materially reduced without detriment to the service. It is becoming apparent that except those connected with the office of provincial treasurer officers and employees in the provincial service are in too many cases actually engaged in performing government work but a portion of the time each working day, instead of rendering the full day's work required by law. In many provinces the officers and their authorized personnel are not finding enough work to do to keep them busy. Notwithstanding this fact, promotions have been frequent and excessive. While the number of American employees and consequent salary expenditure have been reduced, the total salary expenditure for the provincial service has increased during the past year. Notwithstanding the failure to work the number of hours required by law, the records of service are too often made to show the performance of full days' work. This falsifying of a public document is a species of dishonesty demoralizing and baneful, which seriously impeaches the integrity of all officials participating in such wrongdoing. This condition is likely to continue unless penalties are imposed as contemplated by the executive order of the governor-general of February 10, 1908.

In my last annual report attention was invited to the alarming frequency with which salaries were being raised and the probable outcome of continuing to make frequent class or salary promotions. The hope that the substitution of Filipinos for Americans will result in decreased salary expenditure is not promising, and the prediction of last year of permanent excessive salary expenditure seems likely to be fulfilled unless a halt is called on the promotion habit of advancing salaries yearly and often more frequently. This substitution is not resulting in decreased expenditure, owing apparently to the frequency of promotions and to the greater number of Filipinos required to perform the duties of the positions vacated by Americans. The salaries now paid to Filipinos in the Philippines are in many cases in excess of those paid in the United States to Americans equally well qualified and performing similar grades of work.

The proportion of the inefficient and incapable who do not earn their salaries is very much larger in the unclassified than in the classified service. If the salaries of many of those in unclassified positions were measured by their capacity and efficiency their rates of compensation would be but a fraction of what they are now receiving. This part of the service especially offers opportunity for improvement in efficiency and economy and consequent reduction in the difficulties of administration. There are too many instances, however, where excessive salaries are paid to employees in the classified service, and this is likely to continue until appointing officers are relieved of the erroneous idea that earning capacity should be more highly compensated in the Philippines than elsewhere.

It is asserted that too many "educated" Filipinos are endeavoring to enter the government service instead of turning their attention to industrial affairs and the development of the natural resources of the islands. The government does not, of course, intend nor can it afford to encourage such a condition by the payment of excessive rates of compensation, nor can Filipinos individually be blamed for seeking that field of occupation which promises them the highest remuneration.^a

^a See further discussion of this subject in the appendix to this report, which has been omitted and is on file in the Bureau of Insular Affairs, War Department.

ACCOMPLISHED AND PROPOSED LEGISLATION.

The municipal code was so amended on June 2, 1908, during the special session of the Legislature, that no municipal treasurer can be appointed who has not been nominated by a municipal council. Hereafter it is probable that only those applicants for municipal treasurerships will enter examinations who have the assurance of the municipal council that they will be nominated. This amendment will practically destroy the open competitive principle as to municipal treasurers, and will impair the present system of promotion by which treasurers of the smaller municipalities are encouraged to render efficient service with the hope of advancement to more important treasurerships.

The most conspicuous and flagrant case of violation of the civil-service law during the past year was the illegal employment, for about a year, by the provincial governor of Pangasinan of one of his political protégés, Celestino Aragon. Collection of his salary not being allowable under the civil service law, provision for payment thereof during the period of his illegal employment was authorized in an act passed on June 3, during the recent special session of the Legislature.^a This action of the Philippine Legislature is in strong contrast with the following resolution of the Philippine Commission of May 16, 1903, on the proposal to legalize the payment of salary to a person employed in violation of the civil service act:

"On motion, resolved, that it is the sense of the Commission that the views of the civil service board with respect to the employment of Briccio Pantas are correct and that no legislation should be passed making a particular exception which would return to plague the Commission and all others interested in the maintenance of the civil service law."

Efforts to vitiate the operation of civil service law in this way are almost invariably futile. Only recently Governor Hughes vetoed a bill passed by the legislature of the State of New York providing for the payment of salary to persons employed in violation of the state civil service law. The serious import of providing by special legislation for Aragon's salary is emphasized by the Assembly bill to abolish the bureau of civil service.

The practical destruction of the merit system in the Philippines was proposed by a bill passed by the Philippine Assembly to abolish the bureau of civil service and to create in its place a division of civil service in the bureau of audits with scope of duties and functions limited to examinations and certifications of eligibles, and to transfer all the remaining duties and functions of the bureau of civil service to chiefs of bureaus and offices throughout the service. Action on this bill by the Philippine Commission was postponed on recommendation of the governor-general. The principles of the bill apparently have the support of some of the American officials of the Philippine government, as efforts have been made during the last three years to repeal portions of the civil service law and to restrict its operation. It is important, therefore, that its history, purpose, and manifest effects be reviewed and presented in this report, to the end that appropriate and effective measures may be adopted to prevent constant agitation of this subject and consequent demoralization of the service. The field of operation proposed by the Assembly bill is that commonly advocated by those who would confine the operations of the merit system strictly to entrance to the service. The main principle, therefore, whether an effective merit system shall or shall not be maintained, which has been contested so many times here and at home and was presumed to have been settled here, is again brought up for consideration by the action of the Assembly.

THE REFORM MOVEMENT PROGRESSIVE.

A simple provision for an examining body has always been a failure. In 1853 Congress provided by law that: "No clerk shall be appointed * * * until he has been examined and found qualified by a board consisting of three examiners." Prior to the passage of the present excellent federal civil service act in 1883, this law was in force, but as is well known it was a complete failure. Those who are familiar with the history of the civil service reform movement know that the passage of the federal civil service law in 1883 was secured only after years of effort. The President is authorized to promulgate rules to carry out the general provisions of the act, and to "establish regulations for the conduct of persons who may receive appointments in the civil service." The powers of the Civil Service Commission have been gradually extended from time to time by the Presidents' executive orders or civil service rules.

^a A full statement regarding this case is contained in the appendix, which has been omitted and is on file in the Bureau of Insular Affairs, War Department.

Recent state and municipal civil service enactments are in advance of either the United States or the Philippine civil service act in some respects. The advocates of civil service reform, including Presidents and many eminent statesmen and distinguished men in public and in private life, have been responsible for the extension of the merit system so as to affect the rights and privileges of the personnel of the public service, with the idea of securing to each person therein impartial and uniform treatment. Repeated investigations of the public service in the United States show the absolute necessity for the impartial enforcement of rules and regulations to secure honesty in administration and the application of the merit principle to those in the service. Experience has demonstrated that when the personnel is left entirely to chiefs of bureaus without let or hindrance, scandal and corruption are frequently rife and heads of departments, unable to give time and attention to matters of detail, are sometimes misled and dragged down by subordinate officials. Thorough investigation has resulted favorably to the reform movement, and a healthful and helpful public opinion has been created through the illumination of the methods used under the patronage system on the one hand and the advantages to the service in economy and efficiency gained through operation of the law on the other hand.

THE PHILIPPINE CIVIL SERVICE LAW.

Any modification of the merit system as applied to this service should be considered in connection with the principal aims and objects which have been kept steadily in mind in framing the legislation affecting the personnel of the Philippine service. The drafting of the original act and rules was done by men not only experienced in the public service, but in civil service affairs as well, and every subsequent modification of the law and rules has been based on the results of experience gained in the United States as well as in the Philippine Islands. The law and rules as framed contemplate methods of procedure which insure uniformity and impartiality with respect to all the interests of the personnel, including appointments, promotions, transfers, reinstatements, reductions, removals, fines, suspensions, and leaves of absence. The object sought was the establishment of a civil service in which a commendable degree of efficiency, honesty, and dignity would be maintained. In the United States investigations have frequently been made by congressional committees and committees appointed by the President, with a view of introducing better methods in the public service. The results of these investigations are available and have been kept in mind in framing legislation affecting the Philippine civil service. While useless procedures have been avoided, practical and effective measures have been adopted for this service.

AN UNSTABLE CIVIL SERVICE LAW DEMORALIZING.

The important question now is whether the law and the rules, which have been revised from time to time to meet the conditions and requirements of good administration and which constitute the most reliable means of maintaining honesty and efficiency in the civil service, shall be preserved. With greater need in the Philippine Islands than at any other time since American occupation for a thorough going and comprehensive civil service law strictly enforced by a competent and incorruptible board or officer, the bill proposed appears to be little less than a contretemps. While action on the Assembly bill has been postponed for the time being, the patronage spirit is still active and may be exerted in a hundred ways detrimental to the service and to good government in the Philippines. A modification of the law here, changes in the rules there, and, not least, occasional successful efforts to evade the operation of the law with the hope of subsequent approval through changes in law or rule are likely to occur under existing conditions. So long as officials are anxious as to their tenure, the temptation is strong to fortify themselves, generally at the expense of the merit system and by the waste of government revenues through the appointment of influential incompetents and the payment of excessive salaries to subordinates. Little more than two years ago a proposition similar to the Assembly bill was thoroughly analyzed and rejected by the Commission. The inroads subsequently made in the law by legislation in appropriation bills and other bills enacted during my absence in the United States were only last year repealed by the Commission after most careful consideration, by the enactment of Act No. 1698. The federal civil service law has not been amended since its enactment in 1883. Nothing so demoralizes the service as frequent and radical changes in civil service laws and rules. Under the existing régime there has been for the most part reasonable security of tenure, a condition absolutely essential to the maintenance of an efficient personnel. Without security of tenure few desirable men will remain in the service nor will good men enter it.

AN EFFECTIVE CIVIL SERVICE LAW CAN NOT BE NARROW IN ITS OPERATION.

Experience has demonstrated that if the merit system is to be of material benefit to the service, not only must there be provision that appointments shall be made as a result of examination, but this must be supplemented by the appointment of a competent independent board or officer, charged with the duty of enforcing the law, and with ample powers to investigate, to stop the payment of salaries to illegal appointees, and to prevent or hold in check the application of political or other influences to appointments, promotions, reductions, and removals in the classified service. The value of a civil service law is usually proportional to the power given to an independent board or officer to enforce the law. A study of the civil service laws of other countries is convincing to any fair-minded person that were the operation of a civil service law to cease with original appointment to the various bureaus and departments of a public service there could not be uniform and impartial treatment of the entire personnel, as varying privileges and practices affecting the personnel would arise in each of the several departments. Hence, civil service laws provide for general supervision over the service by the executive head of the government, carried out by him through the operation of rules and regulations not only having application to entrance to the service, but also intended to secure uniformity in privileges and practices in all the departments. If the proposed distribution of civil service functions and duties to chiefs of bureaus were made, uniformity of action throughout the service could not be maintained.

ANALYSIS OF POINTS MADE IN SUPPORT OF THE BILL.

The principal points offered in support of this bill in the Assembly were:

(1) That this bureau duplicates the records and work of other bureaus with respect to the service of employees.

(2) That the work of this bureau with respect to accrued leave of absence is duplicated by the bureau of audits.

It is impossible to carry out the provisions of the civil service law properly, justly, and impartially without a full and complete record of the individual members of the civil service. With the exception of leave and efficiency reports, those required to be rendered to this bureau are similarly required by the United States Civil Service Commission and other effective civil service bodies, and most civil service acts or rules require that efficiency reports be rendered to the civil service board or commission. In the federal service efficiency reports are made to heads of departments instead of to the Civil Service Commission. Each department in the federal service maintains an appointment bureau whose records are duplicated for the most part in the United States Civil Service Commission. In the Philippines the bureau of civil service combines practically the functions of an appointment bureau and an examining body. The duplication of records existing in the federal service is rendered unnecessary and is largely avoided here. If the service records of the employees of each and every bureau were not available in one central place, how would it be possible, for example, to pass upon a question of transfer to some other bureau without obtaining data through correspondence? To those who are familiar with the varying views and lack of uniformity of action of bureau chiefs in these matters it is clear that the situation within a brief period would be complicated in the extreme. The purpose of this bill is, or if not its purpose its inevitable effect if enacted would be, to destroy the merit system. If it is desired to retain the merit system, a complete and available record system is essential.

With respect to leaves of absence, it has been contended that the work of the auditor in connection with applications for leave is a duplication of the work of this office. A similar statement was made in 1905 during the discussion before the Commission of the reorganization act, was refuted by the insular auditor at that time, and was shown to have no foundation in fact. The functions of the auditor with respect to payments for leave of absence are the same as his functions with respect to the payment of salaries. The bureau of civil service certifies that an employee may be granted a certain number of days' leave, and the auditor must see that the employee is not overpaid therefor; a bureau chief certifies that an employee is entitled to salary for a certain number of days' service rendered, and the auditor must see that the employee is not overpaid therefor. It will be seen that there is no duplication of work with respect to granting leaves of absence on the part of the bureau of audits and this bureau.

PROPOSED LAW IMPRACTICABLE.

Some of the principal objections to the proposed plan of creating a civil service examination and certification division in the bureau of audits and of transferring the remaining duties and functions of the present bureau of civil service to chiefs of

bureaus, may be divided into three general classes: (1) The necessity that a central office exercise certain functions relating to the personnel of the entire service after appointment; (2) the additional labor that the change would cause in the offices of the governor-general, heads of departments, and chiefs of bureaus, and the increased expense to the government involved in the change; and (3) the impossibility of properly administering the leave law upon that basis.

(1) Much of the work being done in this central office where the years of experience and precedent and complete service records are as available as they are essential to accuracy and uniformity of action and where each person properly performs his function as a part of an effective machine, if distributed as proposed, could not be accomplished with even a passable degree of accuracy and some of it not at all. The component parts of a machine are of little value when separated, and so would it be with the work of this office. The necessity for trained and reliable men to run the machine is obvious. If this bureau were abolished and its functions distributed as proposed, action on precisely the same set of facts would vary in different bureaus, diverging widely in many instances, while good grounds for complaint would multiply. Moreover, inaccuracy and error not discovered until after final action had been taken would be prejudicial to the employee or embarrassing to the government. However simple in theory may appear the propositions of the bill, approximate uniformity of treatment of the personnel in the several bureaus would be no longer possible and employees would be constantly endeavoring to transfer with a view of improving their condition.

(2) If the object of the proposed legislation is to effect a saving to the government, the results would certainly be disappointing. The governor-general and heads of departments would be burdened with a large amount of detail which is now intrusted to this bureau. A transfer of duties and functions would result in increased expenditure beyond the existing economical expenditure for this bureau. The work of an appointment bureau can not be so effectively and economically done by distributing it among the several bureaus as it can be in one central office. It is conservative to say that the number of persons who would be engaged upon the work now performed in this bureau would be more than doubled and the results would be thoroughly disappointing because of lack of accuracy, uniformity, and consistency. No such reactionary method as that proposed exists in any efficient public service, nor have the duties and functions of civil service bodies and appointment bureaus in the United States been transferred to chiefs of bureaus.

(3) The proposed bill contemplates the granting of leave by bureau chiefs under the general control of the governor-general or proper head of department in lieu of the present method of having the amount of leave allowable calculated by the bureau of civil service before it is granted. It is certain that the majority of bureaus would not be able to determine the exact amount of leave allowable by law, and the bureau of audits would be compelled to make a computation of the accrued leave allowable before approving vouchers. It is important to remember, in considering this phase of the matter, that accrued and vacation leave under existing law are inseparable. An employee who is not entitled to accrued leave can not be granted vacation leave. What would be done if an employee were granted vacation leave by a bureau chief and the auditor subsequently found that he was not entitled to accrued leave? Applications for vacation and accrued leave which are not allowable under the law are constantly being forwarded to this office by bureau chiefs with recommendation that they be approved. If an employee takes excess vacation leave it must be charged against accrued leave or be without pay. Unless the auditor has a record of all leaves of absence of all employees he can not correctly pass upon questions of leave. A record of absences must be kept by some central appointment bureau or office. Neither the auditor nor any other official can pass intelligently upon leave questions without complete service records of employees as well as records of their leaves of absence. The granting of leave of absence depends upon many conditions, including the length and nature of service rendered, and proper action can not be taken without complete records. When it is remembered that the annual liability of the government on account of leave is approximately ₱1,000,000 and that every officer and employee having a regular status in the Philippine civil service is directly interested, it will be clear that it is of the utmost importance that uniformity, impartiality, and accuracy continue to characterize the application of the leave provisions of the civil service law. If the leave privileges were limited to annual vacation similar to that allowed in the United States, the allowance of leave could be left to chiefs of bureaus or heads of departments. For the reasons stated above, the additional leave accruing or accumulating from year to year can not be properly granted and the law applied fairly and impartially except through some central office having records for the entire service.

POWER TO ENFORCE A CIVIL SERVICE LAW ESSENTIAL TO ITS EFFECTIVENESS.

The public service is *sui generis*. It is commonly regarded as a legitimate field for the securing of a maximum salary for a minimum effort. It has long been an inviting field for graft and corruption, and offers peculiar temptations to officials and employees; hence it has been found necessary to guard its interests with unusual care. These conditions have stimulated the growth and development of civil service reform movements. Just to the extent that comprehensive reform measures have been adopted there have been increased dignity, honesty, and efficiency in the public service at home and abroad. Restrictions and preventive measures to check wrong doing wherever applied have always tended to reduce evils to a minimum. "An ounce of preventive is worth a pound of cure," and expenditure at the right time on account of necessary and appropriate preventive measures is simply a good business investment and has invariably resulted in greater economy and efficiency in the public service. Extended experience and close observation have confirmed my opinion that if dignity, efficiency, and honesty in this service are to be maintained the desired result will be secured largely through the instrumentality of an independent commission or board with authority increased and perhaps equal to that of the Australian public service commissioner, rather than decreased as proposed.

INTRODUCTION OF THE PATRONAGE SYSTEM THE EFFECT OF THE LEGISLATION PROPOSED.

No system is perfect. Some defects can be sought out in the best system, but it is certain that unless something unquestionably better is offered as a substitute no change should be made in existing law. An open repeal of the civil service law here would be preferable to the passage of the proposed law transferring to bureau chiefs all functions except that of examination and certification now possessed by the director of civil service, and degrading the bureau of civil service to a mere examining division of another office. A proposition so utterly indefensible as the placing of a civil service board or commission under another office and subordinating it to the essential duties of that office under pretense of economy and efficiency, so far as I am aware, has not been heretofore recorded in the annals of civil service reform. In a brief period the spoils or patronage system would be in operation here just as it was in the United States in 1853, and always is where there is no comprehensive law applying to the personnel as well as to applicants for appointment, with a capable independent officer or board to see that the law is strictly enforced. An open adoption of the spoils system would probably be less harmful and demoralizing than the passage of a weak civil service law which could be used as an excuse to deny the solicitations of applicants without political influence, but whose weakness would allow the personnel to be freely manipulated for political and personal reasons.

RETROGRESSIVE AGITATION HARMFUL.

There is no doubt that this service has been seriously prejudiced by the organized attacks of those opposed to the Philippine civil service law. The most desirable officers and employees can not be retained under adverse conditions. There has been engendered a strong feeling of discouragement and uncertainty, bordering on disgust, among a large number of most competent and valuable officers and employees. Their withdrawal from the service would endanger good administration in the Philippines. The time has now come, in my opinion, when it is most important that the attitude of the government toward the merit system be positively and distinctly defined, to the end that competent and reliable men who are relying on meritorious service and not on political or other influences for recognition may have assurance of fair treatment and reasonable consideration in the future as they have had for the most part in the past.

For seven years we have striven, with a measurable degree of success, to secure good civil government in the Philippines. The struggle against the coercive power of the patronage principle has not been in vain. During these seven eventful years the promises of the Government at Washington have been kept, the hopes of American citizens interested in civil service reform have been realized, and there has been maintained a degree of efficiency and economy in the service commensurable with the extent of the application of the civil service law.

APPARENT NECESSITY FOR FEDERAL CONTROL.

The opposition of some officials to the present effective civil service law, due either to failure to grasp its intent and to realize the necessity for its strict enforcement or to actual preference for the patronage system, is certain under existing

conditions seriously to endanger the merit system in the Philippines. In view of the efforts heretofore made to modify the Philippine civil service law so as to render it ineffective as a merit system measure, and of the prospect of the more successful renewal of such efforts in the absence of restraining influences, some directive action by the federal government is evidently necessary to insure at least a continuance of that measure of good government in the Philippines heretofore attained. It has become quite evident that to prevent the further growth and development of the patronage system in the Philippine Islands the regulation of the Philippine civil service should be placed in the hands of the United States Government. The control and regulation of the civil service in the dependencies of European countries have always been maintained by the home governments.

I have reached the conclusion that an organic law relating to the Philippine civil service should be enacted by the Congress of the United States, in which provision may be made for the promulgation of rules by the governor-general subject to the approval of the Secretary of War. Among the many advantages to be gained by federal action would be opportunity to place in the classified service a large number of positions now filled at excessive rates of compensation by inefficient functionaries, and to reduce the present excessive and expensive annual leave privileges ranging from forty-one to sixty-three days. To this unusual amount of annual leave must be added Sundays and from 12 to 15 holidays, when offices are closed. It will be seen that employees are required to work little more than two-thirds of the time, while they are receiving salary for every day of the year, whether present or absent. Although the government is supposed to be entitled to the time and energy of its employees, yet absence in the islands on leave with pay is being used to some extent in private business for personal gain, which is wholly inconsistent with the legitimate object of taking leave, to wit, rest and recuperation to enable them to render more efficient service to the government. A further serious objection to the present excessive leave allowances is the difficulty of carrying on the routine work of government on account of frequent and extended absences of employees, about which there is much complaint by chiefs of bureaus. It is certain that these two important reform provisions, so essential to efficiency and economy, will never be adopted by the Philippine Legislature.

A PERMANENT FOREIGN SERVICE.

It is quite possible that the proposed law should be inclusive and apply to our other foreign possessions. The Spanish-American war and the acquirement of dependencies have necessitated the creation of a foreign civil service additional to the diplomatic and consular service. The best interests of the people of these dependencies and of the home Government undoubtedly demand the elimination as far as possible of the patronage system from the civil service. The time is ripe for definitive action looking toward the development and permanency of a foreign service, the personnel of which shall include the best type of American citizens, those who represent the best traditions of American family life and the force of character and breadth of view which education and culture give.

In my report of last year reference was made to the irreparable losses suffered each year through the withdrawal from this service of splendidly equipped young men because there is so little promise of a career. The interests of the service would be promoted by retaining these young men, many of them graduates of the best institutions of learning, whose experience and training, acquired at government expense, are constantly being lost to the government by resignation. Every year hundreds of Americans are brought from the United States to replace hundreds of trained and experienced men who are returning to the home land. Under existing conditions our foreign civil service can not be expected to compare favorably in efficiency and economy with those of European countries, where the benefits of training and experience acquired in the service accrue to those governments by the retention of officers and employees when they become most useful. Tenure should be assured, and the door of opportunity for transfer and promotion to other fields in the foreign service, including the consular service, could be opened with distinct advantage to the government, thus offering a career which would justify the better equipped in remaining in the service.

This report is complementary to that for the year ended June 30, 1907, and should be read in connection therewith. Events occurring during the last two or three years have served to emphasize the importance to the service of the subject-matter discussed in these two reports.

PERSONNEL OF THE BUREAU OF CIVIL SERVICE.

On August 1, 1908, 10 Americans, including the director, and 23 Filipinos composed the personnel of this bureau. With a larger volume of work and a greater number of employees than at any time since 1905, the total salary expenditure of the bureau is less than at any time since 1903. This reduction in expenditure has been made without any loss of effectiveness of organization by the careful and systematic training of Filipino employees in the work of the bureau, enabling them to perform the duties of Americans who have resigned or have been transferred. In submitting this report I desire to make fitting acknowledgment of the devotion to duty and the valuable and efficient service rendered by nearly all of those who have from time to time during the past seven years been connected with this office. The needs of the service have constantly required the performance of duty under high pressure and the character of the work has demanded an unusually high degree of intelligence, integrity, and industry.

PUBLICATIONS.

The "Official Roster," or blue book, showing the officers and employees having a regular status in the service on January 1, 1908, was prepared and 500 copies were printed for distribution, the "Manual of Information" was revised and printed, and the last annual report of this bureau was published and distributed. A reprint of the report, containing the revised civil service law, was published by the Bureau of Insular Affairs for distribution to applicants in the United States.

Respectfully submitted.

WM. S. WASHBURN,
Director of Civil Service.

The GOVERNOR-GENERAL, *Manila, P. I.*

APPENDIX.^aTable showing the number of persons taking educational examinations during the years ended June 30, 1907, and June 30, 1908.^b

	For original appointment.			For promotion or transfer.			Total.		
	Number examined.	Number passed.	Per cent passed.	Number examined.	Number passed.	Per cent passed.	Number examined.	Number passed.	Per cent passed.
During the year 1906-7:									
Americans in English..	474	245	52	168	77	46	642	322	50
Filipinos in English...	2,873	575	20	205	56	27	3,078	631	21
Filipinos in Spanish...	1,534	583	38	329	92	28	1,863	675	36
Total.....	4,881	1,403	29	702	225	32	5,583	1,628	29
During the year 1907-8:									
Americans in English..	451	261	58	71	39	55	522	300	57
Filipinos in English...	3,422	1,048	31	279	85	30	3,701	1,133	31
Filipinos in Spanish...	1,670	661	40	305	81	27	1,975	742	38
Total.....	5,543	1,970	36	655	205	31	6,198	2,175	36

Recapitulation of examinations.

During the year:									
English.....	3,873	1,309	34	350	124	35	4,223	1,433	34
Spanish.....	1,670	661	40	305	81	27	1,975	742	38
Total.....	5,543	1,970	36	655	205	31	6,198	2,175	36
Previously examined:									
English.....	14,237	5,274	37	3,169	1,490	47	17,406	6,764	39
Spanish.....	14,920	6,806	46	2,432	945	39	17,352	7,750	45
Total.....	29,157	12,079	41	5,601	2,435	43	34,758	14,514	42
Total English.....	18,110	6,583	36	3,519	1,614	46	21,629	8,197	38
Total Spanish.....	16,590	7,466	45	2,737	1,026	37	19,327	8,492	44
Grand total.....	34,700	14,049	40	6,256	2,640	42	40,956	16,689	41

^a The following parts of this appendix have been omitted from this report and are on file in the Bureau of Insular Affairs, War Department:

Correspondence relating to salaries and rapid promotion.

Review of the case of Celestino Aragon.

Tabular statement in detail showing examinations held and appointments made.

Detailed tabular statements showing number of Americans and Filipinos in the Philippine civil service in the executive departments, judiciary, provincial service, and city of Manila, with salaries.

^b Detailed tables have been omitted and are on file in the Bureau of Insular Affairs, War Department.

Recapitulation of appointments made in the Philippine classified civil service during the year ended June 30, 1908.^a

Nature of appointment.	From English registers.	From Spanish registers.	Total.
During the year:			
Original, in Philippine Islands.....	552	355	907
Through changes in the service.....	1,902	1,065	2,967
Original, in the United States.....	244		244
By transfer from the United States classified civil service.....	8		8
By reinstatement in the United States.....	30		30
Total.....	2,736	1,420	4,156
During the preceding year.....	1,944	1,868	3,812
Increase.....	792	552	344

^a Detailed tables have been omitted and are on file in the Bureau of Insular Affairs, War Department.

^b Decrease.

Appointments made in the United States civil service in the Philippine Islands upon certification by the bureau of civil service during the fiscal year ended June 30, 1908.

Position.	Number.
ORIGINAL.	
Clerk.....	30
Draftsman, junior.....	2
Messenger.....	8
Packmaster.....	2
Special laborer.....	1
Storekeeper.....	6
Storeman.....	1
Trainmaster.....	1
Wagonmaster.....	1
Total original.....	52
By promotion, transfer, or reinstatement.....	18
Grand total.....	70

Appointments made in the United States.

Position.	Number.
ORIGINAL.	
Accountant.....	9
Agricultural inspector.....	3
Assistant.....	2
Bacteriologist and pathologist, assistant.....	1
Chemist, assistant.....	1
Draftsman, architectural.....	2
Draftsman-cartographer.....	2
Engineer, civil.....	20
Health officer, district.....	1
Inspector of machinery.....	1
Librarian, assistant.....	1
Photo-engraver.....	1
Nurse.....	3
Stenographer and typewriter.....	22
Surveyor.....	25
Teacher.....	135
Teacher, industrial.....	8
Veterinarian.....	7
Total original.....	244
BY TRANSFER.	
Clerk.....	1
Deputy surveyor of customs.....	1
Draftsman, topographical.....	1
Forester, assistant.....	1
Proof reader and reviser.....	1
Stenographer and typewriter.....	2
Teacher.....	1
Total by transfer.....	8

Appointments made in the United States—Continued.

Position.	Number.
BY REINSTATEMENT.	
Clerk.....	7
Division superintendent of schools.....	1
Engineer, civil.....	2
Fireman.....	1
Nurse.....	1
Patrolman.....	1
Printer.....	1
Stenographer and typewriter.....	1
Teacher.....	15
Total by reinstatement.....	30
Grand total.....	282

Tables showing the number of Americans and Filipinos in the Philippine civil service on January 1, 1908, and the salaries paid.^{a b}

LEGISLATIVE BRANCH OF GOVERNMENT.

PHILIPPINE COMMISSION.

Position.	Salary.	Number of—		Salaries of—	
		Ameri- cans.	Fili- pinos.	Ameri- cans.	Fili- pinos.
Commissioners.....	{ P 15,000 10,000	c 4	2	P 40,000	P 30,000
Secretary of the Commission.....	6,000	1		6,000	
Private secretaries.....	2,800		2		5,600
Total.....		5	4	46,000	35,600

^a The tables do not include the following: Delegates to the Philippine Assembly, officers and employees of the Assembly, temporary and emergency employees, enlisted men of the Philippine constabulary, semiskilled and unskilled laborers, persons compensated by fees only.

^b All of the detailed tables have been omitted and are on file in the Bureau of Insular Affairs, War Department.

^c The governor-general and secretaries of departments are also members of the Commission.

PHILIPPINE ASSEMBLY.

The total expenditure on account of salaries and wages for the Philippine Assembly including the executive force of the Assembly, covering its sessions during the fiscal year ended June 30, 1908, was approximately P 500,000.

EXECUTIVE BRANCH OF GOVERNMENT.

Position.	Salary.	Number of—		Salaries of—	
		Ameri- cans.	Fili- pinos.	Ameri- cans.	Fili- pinos.
Governor-general.....	P 30,000	1		P 30,000	
Secretaries of departments.....	21,000	3		63,000	
Private secretaries.....	5,000	1		5,000	
	4,800	3		14,400	
Total.....		8		112,400	

The remainder of these tables have been omitted except the following general recapitulation.

General recapitulation of the Philippine civil service.

Position.	Salary.	Number of—		Salaries of—	
		Ameri- cans.	Phil- ipinos.	Ameri- cans.	Phil- ipinos.
Class 1.....	P30,000	1		P30,000	
	24,000	1		24,000	
	21,000	3		63,000	
	20,000	4	3	80,000	P60,000
	18,000	1		18,000	
	15,000	1	2	15,000	30,000
	14,000	1		14,000	
	12,000	12	1	144,000	12,000
	11,000	2		22,000	11,000
	10,000	15	6	150,000	60,000
	9,000	11	6	99,000	54,000
	8,500	2		17,000	
	8,000	11		88,000	
	7,500	5		37,500	
	7,000	11	1	77,000	7,000
	6,500	4		26,000	
	6,150		1		6,150
	6,000	38	6	228,000	36,000
Class 2.....	5,500	18		99,000	
Class 3.....	5,400	2		10,800	
	5,000	43	19	215,000	95,000
Class 4.....	4,900		1		4,900
	4,800	10		48,000	
	4,600		1		4,600
	4,500	66	14	297,000	63,000
Class 5.....	4,400	1		4,400	
	4,200		1		4,200
	4,080	4		16,240	
	4,000	120	23	480,000	92,000
Class 6.....	3,980	4		15,840	
	3,900	1		3,900	
	3,860	1		3,860	
	3,800	2		7,600	
	3,750		1		3,750
	3,620	4	1	14,480	3,620
	3,600	177	14	637,200	50,400
Class 7.....	3,520	1		3,520	
	3,500		2		7,000
	3,400	11	1	37,400	3,400
	3,300	1		3,300	
	3,200	229	19	732,800	60,800
Class 8.....	3,000	82	21	246,000	63,000
	2,960	2	3	5,920	8,880
	2,900	3	1	8,700	2,900
	2,800	378	20	1,058,400	56,000
Class 9.....	2,796		2		5,592
	2,790	2		5,580	
	2,784	4		11,136	
	2,760	1		2,760	
	2,750	1		2,750	
	2,740		2		5,480
	2,700	6	3	16,200	8,100
	2,640	1		2,640	
	2,600	116	2	301,600	5,200
	2,520		6		15,120
	2,500	3	2	7,500	5,000
	2,420	1		2,420	
	2,400	507	51	1,216,800	122,400
Class 10.....	2,388	3		7,164	
	2,376	2		4,752	
	2,300		4		9,200
	2,280	132	1	300,960	2,280
	2,244	1	1	2,244	2,244
	2,200	60	11	132,000	24,200
	2,160	23		49,680	
	2,150	4		8,600	
	2,100	1	3	2,100	6,300
	2,040	15	3	30,600	6,120
	2,000	124	22	248,000	44,000
Class A.....	1,992	3		5,976	
	1,980		1		1,980
	1,950	1		1,950	
	1,920	1	1	1,920	1,920
	1,848	1		1,848	
	1,800	114	76	205,200	136,800
Class B.....	1,760	4		7,040	
	1,680	11	22	18,480	36,960

General recapitulation of the Philippine civil service—Continued.

Position.	Salary.	Number of—		Salaries of—	
		Ameri- cans.	Phi- lipinos.	Ameri- cans.	Phi- lipinos.
Class C.....	P1,650	8		P13,200	
	1,600		7		P11,200
	1,575	1		1,575	
	1,560	2	1	3,120	1,560
	1,500	2	17	3,000	25,500
Class D.....	1,440	22	58	31,680	83,520
	1,420		2		2,840
	1,400		4		5,600
	1,350		1		1,350
	1,320		7		9,240
	1,300		2		2,600
	1,250	1		1,250	
Class E.....	1,200	10	221	12,000	265,200
	1,188		1		1,188
	1,156		2		2,312
	1,125		1		1,125
	1,100		1		1,100
Class F.....	1,080		90		108,920
	1,060		10		10,600
	1,050		13		13,650
	1,040		1		1,040
	1,020		4		4,080
	1,000		11		11,000
	980		2		1,960
	975		3		2,925
	972		2		1,944
Class G.....	960		170		163,200
	940		3		2,820
	920		1		920
	916		1		916
	900		78		70,200
	888		1		888
	864		2		1,728
	852		2		1,704
Class H.....	840		269		225,960
	836		1		836
	825		7		5,775
	824		2		1,648
	816		3		2,448
	810		1		810
	804		1		804
	800		13		10,400
	792		1		792
	780		20		15,600
	750		45		33,750
	744		2		1,488
	732		2		1,464
	727	1		727	
Class I.....	720		609		438,480
	719		1		719
	714		1		714
	708		1		708
	700		6		4,200
	680		1		680
	675		15		10,125
	660		37		24,420
	648		1		648
	640		4		2,560
	624		2		1,248
	616		1		616
	612		3		1,836
Class J.....	600	1	422	600	253,200
	599		5		2,995
	594		2		1,188
	592		2		1,184
	588		8		4,704
	586		1		586
	584		1		584
	580		15		8,700
	576		2		1,152
	570		1		570
	564		6		3,384
	560		2		1,120
	550		4		2,200
	544		19		10,536
	540		39		21,060
	532		1		532
	528		1		528
	525		8		4,200

General recapitulation of the Philippine civil service—Continued.

Position.	Salary.	Number of—		Salaries of—	
		Ameri- cans.	Fili- pinos.	Ameri- cans.	Fili- pinos.
Class J.....	P 520		23		P 11,660
	516		3		1,648
	504		3		1,512
	500		6		3,000
	496		1		496
	492		1		492
	484		1		484
	480		539		258,720
Class K.....	479		1		479
	472		1		472
	468		5		2,340
	460		2		920
	456		4		1,824
	450		14		6,300
	444		7		3,108
	432		9		3,888
	420		71		29,820
	408		5		2,040
	400		17		6,800
	396		11		4,356
	390		5		1,950
	384		8		3,072
	378		1		378
	375		2		750
	372		7		2,604
	360	3	203	P 1,080	73,080
	350		3		1,050
	336		2		672
	324		1		324
	300		73		21,900
	288		4		1,152
	276		1		276
	270		7		1,890
	264		1		264
	252		14		3,528
	240	1	124	240	29,760
	228		2		456
	216		7		1,512
	204		1		204
	200		8		1,600
	192		1		192
	180	3	75	540	13,500
	144	1	21	144	3,024
	120	3	154	360	18,480
	108		61		6,588
	96		1		96
	72		23		1,656
	60		1		60
Total a.....		2,484	4,233	7,749,236	3,696,855

a Deduct 5 Americans and 153 Filipinos for names counted twice by reason of employees who hold two positions.

Comparison of the number of American and Filipino officers and employees having a permanent status in the service and the salaries paid on January 1 of the year given.

Year.	Officers and employees.			Salaries paid.			Average salaries.		
	Ameri- cans.	Fili- pinos.	Total.	Americans.	Filipinos.	Total.	Ameri- cans.	Fili- pinos.	Total.
1903.....	2,777	2,697	5,474	P 7,226,700	P 2,189,376	P 9,426,076	P 2,605.94	P 811.76	P 1,721.96
1904.....	3,228	3,377	6,605	8,663,720	2,932,834	11,596,554	2,693.92	868.48	1,755.72
1905.....	3,307	4,023	7,330	8,942,424	3,306,738	12,252,162	2,704.08	822.70	1,671.51
1906.....	2,616	2,902	5,518	7,890,242	3,234,494	11,103,736	3,008.12	828.93	1,703.55
1908.....	a 2,479	4,080	6,559	7,749,236	3,696,855	11,436,091	3,125.95	903.64	1,743.54

a The data for 1908 do not include delegates to the Philippine Assembly nor officers and employees of the Assembly.

EXHIBIT NO. 2.

REPORT OF THE EXECUTIVE SECRETARY.

MANILA, P. I., *July 10, 1908.*

SIR: In compliance with the provisions of Act No. 1824, I have the honor to submit the following report of the executive bureau for the fiscal year ended June 30, 1908.

Such changes as have occurred in the duties and jurisdiction of the executive secretary during the year are of a minor character and will receive due mention in the course of this report.

PERSONNEL OF THE BUREAU.

The personnel of the executive bureau suffered its most severe loss since organization through the death of the first executive secretary, Mr. Arthur Walsh Fergusson, which occurred with shocking unexpectedness the evening of January 30. This bureau was created and had grown up under his direction, and whatever of efficiency and importance it now has is very largely due to him. The official announcement of his death was made by the governor-general, as follows:

"BY THE GOVERNOR-GENERAL OF THE PHILIPPINE ISLANDS: A PROCLAMATION.

"The governor-general with deep sorrow announces the sudden death of Arthur W. Fergusson, executive secretary of the Philippine Islands, at 7.23 o'clock on the evening of January 30, 1908.

"From the time of his graduation from Georgetown University as master of laws in 1886 until he left his office in this building on the conclusion of the day's work on the date of his death the life of Arthur W. Fergusson was one of activity and usefulness to his country and to his fellow-men. He practiced law in Washington, D. C., from 1886 to 1891, and while following his profession acted as the official interpreter of the International American Conference of 1889 and of the International Railway Commission of 1891. He was secretary of the International Monetary Commission and continued in that office until he was called upon to serve the United States-Chilean Claims Commission and the United States-Venezuelan Claims Commission in a similar capacity.

"At the time of the breaking out of the Spanish-American war Mr. Fergusson had rendered such notable service as translator for the Bureau of American Republics, which was established as a result of the Pan-American Congress, that he was selected for the most important post of official interpreter to the American members of the Spanish-American Peace Commission, which negotiated the treaty of Paris in the year 1898.

"While acting in this capacity, his tact, lovable personal qualities, and splendid command of both English and Spanish won the high regard of the Spanish plenipotentiaries, and on the motion and at the suggestion of Señor Montero Rios, their president, he was made the official interpreter of the Peace Commission. To his ability, his justice, and his impartiality no higher tribute could be paid than this.

"As a natural sequence of all these services Mr. Fergusson became the Spanish secretary of the United States Philippine Commission in April, 1900, and subsequently the executive secretary of the Philippine Islands. In this, of all the posts held by him, he rendered the most valuable services to his country. Ever tactful, ever kind, ever generous, ever just, he of all men was probably the best fitted to carry to the hearts of the people of the Philippines the friendly sentiments of the Philippine Commission and to impress the people of the islands with confidence in the benevolent intentions of the American Government.

"The value of the fifty-two days of service rendered by him during the journey of the Philippine Commission through the various provinces for the purpose of establishing civil government can not be adequately measured at this date. Suffice it to say that his interpretations were clothed with the true feelings of the commission and bred a trust in the United States and its beneficent policy which smoothed away a thousand difficulties and made possible that harmony and good understanding without which the solution of a very difficult problem would have been impossible.

"From the 16th day of July, 1901, when the executive bureau came into existence, he spared no time or energy in creating and maintaining an organization of the highest degree of efficiency, and his marked executive ability, versatility, and assiduity have contributed greatly not only to the orderly development of popular government, but also to the successful administration of the several governors-general under whom he served, all of whom have borne testimony to his merit.

"In sorrowing testimony of the loss which has fallen upon the archipelago, I direct that flags upon all government buildings be displayed at half staff until after the funeral; that the Ayuntamiento Building and the office of the executive secretary be draped in mourning; that the executive bureau be closed until Monday, February 3, 1908; and that thereafter it shall pay appropriate tribute to the memory of its illustrious chief for a period of thirty days.

"Funeral services will be held at the marble hall in the Ayuntamiento Building on Sunday, February 2, at 3 o'clock in the afternoon, after which the remains will be escorted to the place designated for their temporary retention pending transfer to the United States. The deposit of the remains at the place designated will conclude the funeral rites and the escort will disband without formal ceremonies.

"In witness whereof I have hereunto set my hand and caused the great seal of the government of the Philippine Islands to be affixed.

"Done at the city of Manila this first day of February, one thousand nine hundred and eight.

"[SEAL.]

"JAMES F. SMITH,
Governor-General.

"By the governor-general:

"FRANK W. CARPENTER,
Acting Executive Secretary."

The funeral was held under the direction of the executive bureau in the marble hall of the Ayuntamiento Building. The Rev. Mercer G. Johnston read the service, assisted by the Rev. Stealey B. Rossiter, who made a graceful address. The hall was filled to overflowing with officials and employees of this government, representatives of the army and navy, the consular corps, and many other friends of the deceased. The remains were taken to the United States on the army transport *Sherman*, and interment made in Oak Hill Cemetery, Washington, D. C., on March 24, 1908, with all civil and military honors.

The writer was appointed executive secretary, effective February 1, 1908, and the resulting vacancy in the position of assistant executive secretary has not yet been filled.

During the year there have been separated from the bureau by resignation, transfer, or otherwise 27 Americans and 45 Filipinos, and there have joined the bureau by appointment or transfer 21 Americans and 46 Filipinos, a net decrease in numbers of 6 Americans and an increase of 1 Filipino. The total personnel of the bureau on June 30, last, exclusive of the janitor's force, numbered 140 persons, of whom 37 were Americans and 103 Filipinos. One year ago the corresponding figures were 43 Americans and 102 Filipinos.

EXPENSE OF THE BUREAU.

The gross expenditure for salaries was ₱303,226.18 and for other purposes ₱214,221.77, a total of ₱517,447.95, of which ₱465,123.39 represented the net charge against the appropriation for the executive bureau. The balance, ₱52,324.56, comprised the following items: (1) Receipts of the executive bureau for fees and other authorized charges, ₱14,632.07; (2) reimbursement to the executive bureau appropriation from that for the executive, ₱31,080.23, and from the appropriation for the Philippine Commission ₱6,632.26, this reimbursement being in part payment to the executive bureau on account of expenditures made during the year from the bureau's appropriation which were

directly in behalf of the offices of the governor-general, the secretaries of department, and the Philippine Commission, the practice being to utilize any unexpended balance of the appropriations for the executive and the Philippine Commission in this manner to enable the appropriation for the executive bureau to meet the varied and emergency requirements which under the law devolve upon it and which may not be estimated with the precision with which the expenses of other bureaus may be anticipated. Approximately one-third of the gross expense represents the salaries of subordinate employees detailed for duty in the offices of the governor-general, secretaries of department, commissioners, secretary of the commission, and the janitor service of the ayuntamiento, transportation of the governor-general and secretaries of department on inspection trips, printing, and furniture and office supplies for the offices named.

Owing to the desire of the legislature that no effort be spared to reduce the current expenses of the several bureaus of the government, positions in the bureau which have become vacant have not been filled whenever it has been possible to pursue such a course, with the result that there has been some decrease in salary expenditure.

PARDONS.

The pardon committee, originally appointed May 1, 1906, and mentioned in previous reports, investigates the cases of prisoners convicted of bandolerismo prior to that date and such others as the governor-general transmits to it. It has finished its work in 772 cases and still has 944.

During the fiscal year 1,025 petitions for pardons in cases not coming within the scope of the pardon committee were received. Each of these requires on the average at least 10 communications by indorsement or letter, and after all information is collected from the bureau of prisons, trial judge and court records, provincial governor, constabulary, fiscal and such other officers or persons as may be interested, a brief of the facts in the form of a report is made and submitted to the governor-general for his action. During the year 760 cases were disposed of, and there are now 545 pending and either awaiting final action or under investigation. The following statement sets out in detail this information:

PARDON MATTERS—EXCLUSIVE OF BANDOLERISMO CASES IN CHARGE OF THE COMMITTEE ON PARDONS.

Number of petitions received.....	1, 025
Number of pardons granted.....	129
Number of sentences commuted.....	40
Number of prisoners paroled.....	8
Number of pardons denied.....	465
Number of deaths of prisoners applying for pardon before final action could be taken on petitions.....	29
Number of cases in which the term of sentence expired while petitions were under consideration.....	38
Number of petitions filed without action.....	28
Number of cases referred to the military authorities (crimes committed in violation of the laws of war).....	5
Number of cases referred to municipal board, Manila (violations of municipal ordinances).....	3
Number of cases referred to the committee on pardons by direction of the governor-general.....	10
Number of reprieves granted.....	10
Number of petitions now pending action by governor-general (investigation completed).....	215
Number of petitions now under investigation.....	330

It may be of interest to note that in about 30 per cent of the cases, the only reason given in the petition is destitution of the family and in about 14 per cent no reason whatever is alleged.

EXTRADITION REQUISITIONS.

In the last report mention was made of 3 extradition cases during the period covered by that report. The first was the case of a man who had sold certain property to two different persons and left the islands on an army transport, and

for whose extradition from Honolulu preparations were made, but rendered unnecessary by the military placing the man aboard a transport en route to Manila.

The second case was that of 2 Manila merchants who went to Macao after having, it was alleged, falsified a private document. This was settled out of court after extradition papers had been issued.

The third was that of an ex-soldier of marines who murdered his paramour in Hongkong, and in whose case a request for extradition from Manila was received from the governor of Hongkong. The man was delivered to the British authorities after a hotly contested legal battle.

During October, 1907, a Spaniard employed by the Manila Electric Railroad and Light Company embezzled funds of the company and made his escape to Hongkong. He was promptly arrested by the British authorities upon our request, and delivered to our representative upon the presentation of extradition papers.

Two other cases of embezzlement have occurred in which the accused persons succeeded in getting out of the islands. Both the principals in these cases were Chinese, and in one, at least, an attempt is being made to secure the return of the criminal, a request to that effect having been made on the State Department at Washington.

In the last report there was mentioned also the preparations made for the extradition of a clerk in the United States Signal Corps, who escaped from the islands with about ₱4,000, and who had not, at that time, been located. Since then, however, it has been learned that he was in Buenos Aires. A request was made for his apprehension and detention until the arrival of extradition papers, which were immediately prepared and sent to Washington, as it was necessary that the demand be made by the Secretary of State. An officer was sent from Washington to Buenos Aires with the papers, but upon his arrival he found that by reason of the delay the man had been released and had immediately left the country, since which time no further trace has been had of him.

PASSPORTS.

During the year 185 passports to United States citizens, and 28 to those of the Philippine Islands have been issued.

OFFICIAL GAZETTE.

The compilation and editing of the Gazette, although under the supervision and at the expense of this bureau, are done by the reporter of the supreme court, which position was created on July 23, 1907, by Act No. 1675. The net cost to the executive bureau, including the payment of ₱10,000 made to the bureau of justice for the services of the reporter of the supreme court and the personnel of his office, and the cost of printing, mailing, etc., amounted to ₱25,011.07 during the year for both the Spanish and English editions.

CABLEGRAMS.

During the fiscal year 348 cablegrams were received from the United States and foreign countries, 578 were sent, and 4,310 official excerpts therefrom were furnished interested bureaus and persons.

The total cost of the cablegram transmitted was ₱29,428.49, of which ₱16,383.83 was at the expense of the appropriation for this bureau, the remainder representing the cost of messages sent for other bureaus.

Pursuant to a suggestion by the chief of the bureau of insular affairs that the cipher code be further revised, the legislature, on June 3, last, by Act No. 1848, authorized the expenditure, from funds appropriated, by this bureau of such amount as might be necessary.

FIREARM PERMITS.

The method formerly pursued in the issue of firearm permits was changed by the passage of Act No. 1780 and by executive order of the governor-general of the Philippine Islands, No. 56, series 1907, pursuant to which the director of constabulary is vested with ample authority and the executive bureau no longer intervenes in the matter.

TRANSPORTATION OF GOVERNMENT OFFICIALS AND EMPLOYEES AND FILIPINO STUDENTS BETWEEN THE PHILIPPINE ISLANDS AND THE UNITED STATES.

Owing, it is understood, to the Interstate Commerce Commission's rulings, the contracts with the steamship and railway companies for the transportation of government officials and employees and Filipino students between the Philippine Islands and the United States could not be renewed, except with the steamship companies only which provided for transportation between Manila and the ports of San Francisco and Seattle. The Bureau of Insular Affairs has labored hard to secure the most favorable rates possible, and as the execution of these transportation contracts is a matter within its jurisdiction no effort will be made here to recite the details of efforts made and results obtained, such data being included undoubtedly in the report of the chief of that bureau to the Secretary of War.

The military authorities have assisted greatly by furnishing transportation on army transports, so far as the requirements of the army and navy have permitted.

During the year transportation to the United States was secured for 576 adults and 78 children, of whom 274 adults and 31 children traveled by commercial liners.

The transportation by commercial liners was divided as follows:

To San Francisco, or points in the United States via San Francisco, 41 resigning employees, whose transportation was furnished at the expense of the government, 3 Filipino students traveling at that of the government, 125 employees and members of families, 1 nurse, 24 children, and 6 Filipino students traveling at their own expense.

To Tacoma, 6 resigning employees, transportation furnished by government, 17 employees traveling at their own expense, and 4 children.

To Seattle, 20 employees whose transportation was at government expense, 53 employees traveling at their own expense, 1 nurse, 3 children and 1 Filipino student.

One order was issued for transportation to Honolulu.

The transportation furnished by army transport was divided as follows: To San Francisco, adult employees and members of families, 234; children, 47; Filipino students, 8; servants 7; indigent or destitute American citizens, 33; conditionally pardoned American prisoners, 20.

Transportation from Manila to Nagasaki was also secured for 22 adults and 2 children, and from Nagasaki to San Francisco for 2 persons.

VAGRANTS AND DESTITUTE AMERICANS.

As the cost of subsistence of vagrants, destitute Americans, and American prisoners who are pardoned on condition that they leave the Philippine Islands never to return is met from the constabulary appropriation, the work formerly done in this office in the way of investigating such cases is now handled by that organization, this office merely requesting transportation by army transport at the instance of the director of constabulary. During the year, as stated above, transportation to San Francisco was procured for 20 conditionally pardoned prisoners and for 33 indigent or destitute Americans.

LOUISIANA PURCHASE EXPOSITION MEDALS AND DIPLOMAS.

The medals and diplomas which had been awarded Philippine exhibitors at the Louisiana Purchase Exposition, which closed in December, 1904, were received in Manila in February, 1908. The diplomas, when received, were in blank, rendering it necessary for this bureau to insert the class of medal, name of recipient, and description of the exhibit for which awarded. Some 2,076 were received, and distribution thereof was practically completed within one month. Owing to the long period which had elapsed between the close of the exposition and the receipt of the medals, much difficulty has been experienced in locating some of the exhibitors. Some are dead, while others appear to be unknown in the municipality given as their address in the list of awards, and as a result about 50 diplomas and medals are still on hand awaiting claimants.

LEGISLATIVE DIVISION.

The legislative division was abolished and its personnel taken over by the office of the reporter of the supreme court upon the creation of the latter by Act No. 1675. Under the present arrangement the preparation of public laws

for publication in book form, properly indexed, and the compilation and editing of the Official Gazette and *Gaceta Oficial* are performed by the reporter and his staff at the expense of this bureau.

DIVISION OF LEGISLATIVE RECORDS.

Act No. 1679 provided that upon the date of the organization of the Legislature the office of the recorder of the Commission should become the division of legislative records, under the immediate charge of the secretary of the Commission, which position was also created by said act. The organization of the division was necessary in order to provide for keeping the records of the Legislature, of which the executive secretary is custodian under the provisions of Act No. 1582, the election law. In view of the fact that the division is essentially a separate office the report of its chief is inclosed herewith (Exhibit A) and attention respectfully invited thereto.

CONTRACTS FOR GOVERNMENT ADVERTISING.

On December 31, 1907, the contracts had by this bureau with various newspapers for government advertising expired, and from that time until May last the various bureaus made their own arrangements direct with the newspapers for official advertising. On May 11, 1908, Concurrent Resolution No. 6 was adopted by the Legislature, authorizing the executive secretary to make contracts with the daily newspapers known as "El Renacimiento," "The Manila Times," "La Democracia," and "The Cablesnews-American," for the publication of such official advertising as might be sent them, exclusive of notices of the court of land registration and notices relative to cases in litigation in the courts. Accordingly contracts were immediately made, and under the agreement each of the newspapers mentioned receives the sum of ₱500 monthly. Each bureau which has occasion to do any advertising now sends the copy to this bureau, by which it is forwarded to the newspapers mentioned, and a check is kept by the division of legislative records to insure correct and complete publication. Under the contracts all laws, executive orders and proclamations are published at least once in each of the papers mentioned.

DIVISION OF ARCHIVES, PATENTS, COPYRIGHTS, AND TRADE-MARKS.

The division of archives, patents, copyrights, and trade-marks is charged by law with important duties not only concerning the custody of the archives of the former Spanish Government in these islands, notarial protocols, copyrights, patents, and trade-marks, but also the register of corporations, brands of live stock, etc. Constituting, as the division does, an important office attached to rather than an integral part of the executive bureau the report of the chief of division is attached hereto as "Exhibit B" and attention is respectfully invited thereto.

TRANSLATING DIVISION.

The translations during the year into English, Spanish, French, German, and local dialects amounted to 21,890 folios, and included much technical and scientific matter.

In the interests of economy the needs of the Philippine Assembly for the services of expert translators were met during the past year by the translating division of the executive bureau.

RECORDS DIVISION.

There were recorded during the year by the records division of this bureau 95,486 communications, which necessitated the preparation of 301,644 index cards.

The indexes for previous years have been written up and bound for permanent reference and that for 1907 will comprise approximately 14,500 type-written pages. The increase over 1906 was about 11 per cent.

There were dispatched by the mailing section of the records division during the year 1,185,050 pieces, comprising documents of all classes.

To provide more secure protection for important records two rooms on the ground floor of the Ayuntamiento Building have been made as nearly fire-proof as possible by the use of reinforced concrete and steel. One room is

assigned to the division of archives for storing material protocols and other archives of a particularly valuable character which could not be replaced if destroyed. The other room is used by the records division for its files of decrees and other documents of special importance. In this room space is also available to the secretary of the Commission for filing the permanent records of that body.

PUBLIC DOCUMENTS.

Among the duties of the executive bureau are those of the custody and distribution of public documents received from the Government at Washington and other sources as well as the acts and other publications of the Philippine Legislature, executive orders and proclamations by the governor-general, etc. During the year 1,062,973 documents were received and 1,000,401 distributed. There were on hand in the bureau on June 30 last 1,170,352 printed documents consisting of our files of government publications of all classes and surplus copies.

PROVINCIAL AFFAIRS.

While this office is charged by law or executive order of the governor-general with the dispatch of many matters concerning the insular government, yet the part it takes in provincial and municipal government affairs has become perhaps its most important function.

In its results the year has, in many respects, been the most satisfactory of any since the organization of provincial governments in 1901; conditions both as to public order and finance have continued to improve and are to-day better than at any time since American occupation. Although the larger number of provincial governors now holding office are doing so for their first term, yet, by reason of the establishment of precedents and the greater familiarity with the organic law of provincial and municipal governments which the subordinate and present employees of the provincial service have acquired during the past six years, there has been more systematic and productive administrative effort than in previous years. Mention should also be made of the many indications of a greater interest, as well as a better understanding, by both officials and the general public in the activities and jurisdiction of provincial governments. A keen sense of the responsibility of elective officers has been displayed by the majority of the provincial governors in their efforts to discharge the duties of their important offices impartially and to have in view the public welfare without regard to factions and parties. They have also displayed in many instances a most praiseworthy disposition to carry on active propaganda in favor of policies and measures which were unpopular through lack of information and misunderstanding on the part of the people, but upon which the improvement of the public service and the development of agriculture, commerce, and industries depend. A typical example is that of the voluntary adoption by practically all provincial governments of the increase of the *cedula* (capitation tax) from ₱1 to ₱2 per annum, the proceeds of the additional tax being under the law destined for expenditure in the construction and maintenance of roads and bridges. This interest and activity on the part of the provincial governments in the "Good-roads movement" is creditable to the provincial governors and third members who constitute the majority in each provincial board, for the reason that being elective officers they in particular have had to overcome not only the natural conservatism of the people who are indisposed to any radical change in the established course of affairs but also the hostility which is awakened in the minds of men everywhere by the thought of additional taxation.

The policy of the governor-general, as indicated to and applied by this office, has been to intervene in provincial affairs rather by inspection and advisory control than by the pursuit of a course which would tend unduly to centralize authority and consequently relieve provincial officials from responsibility within their respective fields of action. However, in both provincial and municipal finance experience has demonstrated with increasing force the necessity for central control in certain respects. With the establishment of a district auditor's corps, by which provision was made for the more efficient and prompt examination and audit of provincial and municipal accounts in the offices of collecting and disbursing officers, means were afforded by which timely information could be had regarding the progress of fiscal administration. As a result at least two provincial governments, which under the former inadequate inspection would have become wholly bankrupt and required either loans

or donations from insular funds to enable them to meet their obligations, have been saved from such an embarrassing predicament. It is now practically impossible for a provincial or municipal government to become seriously in arrears in the settlement of its accounts without this office becoming advised, and the credit of these subordinate governmental entities is better than at any previous time since the establishment of the present government. To this end the preparation of an annual budget now required of provincial governments has contributed greatly. In addition to the annual budget this office now receives from provincial treasurers a monthly financial statement which gives in proper detail information regarding revenue and expense operations during the preceding thirty days and, for purpose of comparison, corresponding data for the similar period of the preceding year.

ELECTIONS.

The first elections for provincial governors and third members of provincial boards under the new election law were held on November 5, 1907. Theretofore governors had been elected by a convention composed of the vice-presidents and councilors of the municipalities within the province; now they are elected by the people direct.

The registration was materially heavier than ever before. With returns from 3 towns still missing it was 172,642, or 21,561 more than that of 1903, and 27,877 more than that of 1905. Taking into consideration the increased difficulty of registration and the safeguards against fraudulent registration, this shows a notable interest on the part of the people. This registration exceeded by 69,525 the registration in July for the Assembly elections. The proportion of registered voters to population is 2.59 per cent. There were 161,697 votes cast at the elections, or 94.21 per cent of those registered, an increase of 5.05 per cent over the vote at the election for the Assembly.

Elections were held in 31 provinces and the results were satisfactory. Of the governors 26 stood for reelection and 15 were successful. Twelve protests were filed in the courts and 5 before the governor-general against provincial elections. The following table gives these details in full:*

APPOINTMENTS.

The governor-general made 671 appointments during the fiscal year, 586 of which were justices and auxiliary justices. Of these 131 were made necessary by resignations tendered in order that the justices might run for an elective office. The following table gives these statistics in full:

	Appoint- ments by gover- nor-gen- eral and the Com- mission.	Appoint- ments canceled by Com- mission.	Appoint- ments and des- ignations by gover- nor-gen- eral only.	Declina- tions.	Resig- na- tions.	Re- liefs.	Re- mov- als.	Deaths.
Insular officers, including judges.....	41	8	30	0	7	0	0	3
Provincial officers.....	38	1	92	0	28	0	1	1
City of Manila.....	6	0	4	0	1	0	0	1
Municipal officers.....	0	0	100	0	0	0	83	41
Justices of the peace.....	252	1	6	13	172	2	22	9
Auxiliary justices of the peace.....	384	0	9	42	237	0	6	4
Total.....	671	5	241	55	445	2	112	59

* A table giving detailed data in regard to general elections in November, 1907, for provincial and municipal officials in each province has been omitted here, as it is printed in the report of the governor-general. See page 84.

* Seven provincial officers resigned to become candidates for delegates to the Assembly and for other provincial offices.

* Fifty justices of the peace resigned to become candidates for municipal offices.

* Eighty-one auxiliary justices of the peace resigned to become candidates for municipal offices.

NOTE.—Municipal officers are elected or appointed in accordance with the municipal code and the election law. They are removed by the governor general only for cause, under the provisions of Act No. 314.

REMOVALS.

There was but one provincial official removed during the year, a governor, who was permanently disqualified February 19 for falsifying expense accounts.

There were cases against 318 municipal officials and justices of the peace, of whom 196 were found guilty. Of these, 117 were removed and the others escaped punishment either by reason of the expiration of their term or for other causes. Twenty-eight justices and auxiliaries were removed, as against 16 in 1907 and 12 in 1906. Of the municipal officials and justices of the peace removed, 122 were disqualified from holding public office.^a

The terms of disqualification vary from permanent disqualification in the aggravated cases, where moral turpitude is shown, to one which carries beyond the next elections imposed on officials who have abused their authority. The following table shows the nature and result of the 466 different charges brought against the 318 officers covered by the next preceding table.^b As one officer may be charged in the same case with several different offenses and be found guilty of some and innocent of others, the totals of the two tables can not be the same. Neglect of duty continues to be the most common failing, 47 officials having been removed for that cause. Abuse of authority follows with 37 cases, and gambling is third with 29.

There were 67 cases pending before the provincial boards at the close of the fiscal year and 39 in this office.

LEGISLATION AFFECTING PROVINCIAL GOVERNMENTS.

By Act No. 1665 the provincial government of Romblon was discontinued as a separate entity, and there was created in its stead the subprovince of Romblon under the jurisdiction of the provincial government of Capiz. This action was premised upon the demonstrated inability of Romblon to maintain a separate provincial government by reason of its insufficient revenues.

By Act No. 1649 the island of Marinduque, then an integral part of the province of Tayabas, was restored to its former status as a subprovince, under the jurisdiction of the provincial government of Tayabas, experience having demonstrated that by reason of their insular position the municipalities on this island could not receive satisfactory attention from the provincial officials of Tayabas.

By Act No. 1693 the province of Agusan, with the subprovinces of Butuan and Bukidnon, was created from portions of the provinces of Misamis and Surigao, on the island of Mindanao and a government provided analogous to that organized in other districts having as a majority of their population pagans and wild people. By this same act the islands lying to the north of Luzon, which have been a part of the province of Cagayan, were constituted the subprovince of Batanes attached to that province.

By Act No. 1753 the island of Siquilor was created a subprovince and continued under the jurisdiction of Oriental Negros. The same reasons occasioned this action which did that in the similar case of Marinduque.

By Act No. 1759 the position of lieutenant-governor for the province of Samar was created, in order to provide particularly for the organization and improvement of government and conditions generally among the less civilized people inhabiting the interior of the island of Samar.

PROVINCIAL BOARDS.

The provincial boards in provinces in which the majority of inhabitants are Christians now comprise two elective members, the governor and the third member, all of whom are Filipinos. While in some of the provinces the organization of political parties has been sufficient to play an important part in the election of provincial officials, yet in many, in fact, it may be said without danger of mistake, in the majority, the personality of the candidate has been the controlling factor rather than party discipline. In this connection, however, it is to be noted that at the last election there was elected but one governor who has served in such capacity continuously since his appoint-

^a A table showing in detail the number of municipal officers and justices removed, cases tried, those found guilty and not guilty, and action taken has been omitted and is on file in the Bureau of Insular Affairs, War Department.

^b This table has been omitted and is on file in the Bureau of Insular Affairs, War Department.

ment upon the organization of provincial governments in 1901. Of the provincial governors 10 are now serving a second term and 2 of the provincial governors elected last November had served as third members. Of third members 11 were elected to succeed themselves. With but few exceptions, the interest and industry displayed by provincial governors and third members have been most commendable and in many cases their work has given no ground for reasonable criticism. Practically without exception both the provincial governors and third members are property owners and many are lawyers of recognized ability and standing in their provinces. They represent the conservative rather than any radical element and their selection by popular vote reflects credit upon the electors of the provinces.

At the beginning of the year all provincial treasurers were Americans with the exception of 1 Filipino, the then provincial treasurer of Isabela, who had recently been appointed. During the year 5 American treasurers have resigned and 1 has been transferred to another branch of the service. These changes have been due to ill health, a desire to return to the United States to enter federal service or private employment, or to try other pursuits in the conviction that a change would secure either more agreeable occupation or greater financial returns. The number of Filipino treasurers has been increased by 4, the appointees being men of ripe experience and demonstrated efficiency in the treasury service. The personnel of the provincial treasury service deserves the highest commendation. The scrutiny of accounts covering the collections and expenditures of public funds has been more searching and effective than ever before in the history of this government, and yet, during the entire year, no provincial treasurer has been found to have been unfaithful to his trust. The total amount of public funds of all classes accounted for during the year by provincial treasurers was ₱13,536,943.65, including in addition to provincial funds, moneys collected or disbursed by them in behalf of the insular and municipal governments.

The efficiency of provincial employees generally is increasing to a degree which well deserves attention. This result unquestionably is due to the permanency of tenure of office in the classified civil service. An increasing number of clerical employees have acquired a fair working knowledge of stenography and of the English language.

The annual report of the operation of each provincial government is prepared by the provincial governor, and is expected to cover not only matters falling within his executive jurisdiction, but also that of the provincial board, which, as already stated, covers the entire field of provincial government. The reports of the provincial governors are hereto appended (Exhibit C), and many of them will be found to be well worth perusal, as they state in detail the condition and operations of their respective governments during the year.

The following table shows the number and nationality of provincial officials in office June 30, 1908:

Provincial officers.	Americans.	Filipinos.	Total.
Governors.....	7	31	38
Lieutenant-governors.....	6	7	13
Treasurers.....	29	5	34
Secretaries.....	1	1	2
Secretary-treasurers.....	3		3
Supervisors.....	1		1
Supervisor-treasurers.....	1		1
Third member of provincial boards.....		31	31
Fiscals.....	1	26	27
Total.....	49	101	150
Provinces organized under Act No. 83.....			31
Provinces organized otherwise.....			7
Total number of provinces.....			38

Percentage of total.

Americans.....	32.66
Filipinos.....	67.34

The percentage of Americans, 32.66, is a falling off of 2 per cent from last year.

FINANCIAL CONDITION OF PROVINCIAL GOVERNMENTS.

The revenues and miscellaneous receipts of provincial governments amounted to ₱4,442,557.61 and ₱375,691.81, respectively, as compared with ₱2,579,255.80 and ₱1,473,418.93 during the fiscal year 1907. These figures include the revenues and receipts of the Moro Province and of the provinces organized under the "Special Provincial Government Act," as well as of those of what are termed the "regularly organized or Christian provinces." The items under which the greater part of the increase in revenues occurred were cedulas (capitation tax) and additional participation in the proceeds of internal revenue which the law provided should be paid to provinces which increased the cedula tax from ₱1 to ₱2 for the benefit of road and bridge construction. Increases and decreases in other items under the head of "revenues" were of minor character. The reduction in the total to be accounted for under the head "Miscellaneous receipts" for 1908 as compared with 1907 was due chiefly to the reduction in the reimbursement to provincial governments by the insular government on account of the suspension of land tax, which is mentioned in detail elsewhere in this report, and to the exclusion from this head of loans by the insular government to provinces which, as reported by the auditor, have amounted to ₱246,000 during the fiscal year 1907 and to ₱196,666.67 during the year 1908.

The revenue derived by provincial governments from the cedula tax during the fiscal year 1907 was ₱905,047, and for the year 1908, ₱2,224,880. This increase was due chiefly to the increase of the cedula tax from ₱1 to ₱2 in all but 4 of the provinces, the additional tax being exclusively a provincial revenue, while the proceeds of the ordinary tax of ₱1 is divided equally between the provincial and municipal governments in which it is collected.

The balance of provincial funds on hand July 1, 1907, amounted to ₱1,500,620.22, which, together with those derived from revenues and miscellaneous receipts, gave a total of ₱6,318,869.64 available for expenditure by provincial governments as compared with ₱6,013,894.37 similarly available during the fiscal year 1907. For compensation and traveling expenses of officials and employees there were disbursed ₱1,596,385.93, as compared with ₱1,562,740.90 during 1907. For permanent equipment, which comprises in greatest part road machinery, there were expended ₱234,162.86, and for material and services in the construction and maintenance of public works, ₱1,154,309.01, of which ₱964,301.11 were directly for roads and bridges, and the remainder for public buildings.

The total expenditure by provincial governments amount to ₱3,733,533.37, as compared with ₱3,996,085.46 during 1907. The balance on hand June 30, 1908, was ₱2,585,336.27.

During the year a plan for systematic road construction and maintenance has been worked out and inaugurated by the secretary of commerce and police.

Owing to the difficulties encountered in securing engineers and machinery it has been impossible to execute all the projects for which funds were available, and as a result the balance on hand at the end of the year was greater than would have been the case had the facilities mentioned been available without undue delay. No effort is being spared to provide for the proper expenditure of all available funds for public works projects during the year now beginning, although much difficulty is still had in securing engineers. For more complete and detailed information regarding the progress of public works in the provinces attention is respectfully invited to the report of the secretary of commerce and police, within whose jurisdiction comes the execution of projects and to a great extent control is vested.

The policy heretofore inaugurated of requiring provincial treasurers to carry as large a portion as possible of their current balances as interest-bearing deposits in commercial banks rather than to allow such funds to lie idle in the vaults in their own offices or in the insular treasury has continued, and by careful attention in the light of experience during previous years these deposits have been increased from ₱1,580,050 on June 30, 1907, to ₱2,493,050 on June 30, 1908. The interest earnings on the latter amount if continued on deposit during the year will give an additional revenue to provincial governments of ₱87,256.75, which is not a part of the direct burden of taxation. The revenue from this source during 1908 was ₱52,608.53. In addition to this financial gain to provincial governments from the interest earned, a gain, impossible to state in concrete figures, accrues to the public through making available for the requirements of commerce these funds which otherwise would have been withdrawn temporarily from circulation had they continued in the

vaults of the treasury. The deposits range in amount from ₱14,000 to ₱250,000 per province.

In the report of the insular auditor will be found detailed statements of the financial operation and condition of all provincial governments.

LOANS TO PROVINCIAL AND MUNICIPAL GOVERNMENTS.

At the close of the fiscal year 1907 there was due the insular government on account of loans to provinces and municipalities from insular and congressional relief funds approximately ₱1,000,000. These loans had been made in great part as relief measures during the period immediately following the establishment of the civil régime and before the sources of provincial and municipal revenues had been developed. Had repayment been exacted after the provincial and municipal governments had become able, financially, to make a serious effort in the construction of public buildings, highways, and otherwise to meet the duties imposed upon them by law, the result would have been to continue for a considerable time the financial incapacity of these governments with delay in the beginning of work along the lines just indicated. After a careful study of the conditions under which these loans were made, and the result if repayment were insisted upon, the Legislature passed Act No. 1815, canceling these loans upon the condition that each provincial and municipal government concerned should set aside from its general funds within a period of ten years a sum not less than the total indebtedness canceled, to be expended in the construction of public schools, roads, bridges, or other public works, in the discretion of the respective provincial boards, subject to the approval of the governor-general.

Act No. 1686 appropriated from the congressional relief fund ₱100,000 to be loaned, in the discretion of the governor-general, to provincial and municipal governments for the purpose of boring artesian wells and constructing bridges, office buildings, markets, slaughterhouses, ferries, and public works of a permanent character.

Act No. 1728 created an insurance fund for the purpose of enabling the government to insure its own property against damage or destruction by earthquake, fire, lightning, flood, typhoon, tornado, hurricane, or cyclone. For the purpose of carrying into effect the provisions of this act an appropriation of ₱250,000 was made, and the governor-general was authorized, in his discretion, to invest the amount by deposit at interest with qualified depositaries of government moneys or by loans to provincial and municipal governments for the construction of public works of a permanent character. In accordance with the discretion vested in him, the governor-general decided to reserve exclusively for loans to provinces and municipalities the funds made available by Act No. 1728, thereby making immediately available ₱350,000. At the close of the fiscal year loans have been approved aggregating ₱218,500. These loans bear interest at the rate of 4 per cent and are for periods not exceeding five years. Their repayment is assured, first by the retention therefor by the provincial treasurer of certain specified revenues, and, second, by the guarantee of the provincial board. By means of these loans provinces and municipalities are enabled to construct immediately public buildings and other permanent public works which otherwise would have been delayed indefinitely for lack of sufficient funds the amount available from each year's revenues being insufficient for the execution of any project of importance, and ordinarily has been frittered away without producing anything of permanent utility or benefit.

MUNICIPAL GOVERNMENTS.

LEGISLATION AFFECTING MUNICIPAL GOVERNMENTS.

The excessive proportion of municipal revenues expended for salaries and wages led the Commission, on August 20, 1907, to pass Act No. 1691, limiting the amount that may be spent for salaries and wages of officials and employees, excluding those employed on public works, in first-class municipalities to 50 per cent, in third-class municipalities to 60 per cent, and in fourth-class municipalities to 75 per cent of the annual revenues accruing to the municipal general funds during the calendar year, exclusive of all balances carried forward from the preceding year, and all appropriations, loans, or gifts made from insular, provincial, or private funds. The act contains a proviso, however, that such stage may be exceeded with the approval of the governor-general. A large

number of applications have been received for authority to exceed the percentage fixed by law, but favorable action has been taken in only 31 cases, of which 15 were in the province of Pangasinan. In the majority of these cases the permission was granted on account of the extraordinary expense incident to the employment of sanitary inspectors whose services were rendered necessary by the presence of epidemic disease. In a number of instances where the municipalities during the previous year had expended practically their entire revenue for salaries and wages an abrupt change to a basis coming within the limitations of the law would have so seriously disrupted the local public service that a slight increase in expense beyond the maximum fixed by law was approved for the current year, and at the same time instructions were given that, either by increase of revenue or by decrease of expense, the budget for the following year must be brought within the provisions of the act. The result has been to increase materially the amount of funds available for public works and permanent improvements.

The question of adequate fire protection in the municipalities of the Philippine Islands, outside of Manila, had received but slight attention. For the purpose of encouraging interest in the organization and maintenance of properly equipped and instructed fire companies there was passed Act No. 1733, requiring all officers and members of the police force of each municipality to act as firemen and constituting the police force a fire department, to be regularly instructed, exercised, and trained in the duties and work of firemen. Provision is also made for the enrollment and training of auxiliary volunteer firemen among the able-bodied male residents of the municipality as may be deemed expedient, which, however, shall not exceed the number of the regular police appointed and paid by the municipality. Upon proof of attendance at 75 per cent of the fire drills such volunteer firemen become entitled to exemption from the cedula tax. A keen interest has been displayed by the majority of municipalities in carrying out the provision of this law, and as officials are subject to administrative discipline, including removal from office, in the event of failure to organize and equip the authorized personnel, the municipality which has failed to make a serious effort to provide for fire protection, so far as its means will permit, is the exception rather than the rule, as heretofore.

Formerly the only method by which change might be made in the geographical limitation of municipalities was by a special act of the Commission in each case. By passage of Act No. 1748, the governor-general was authorized by executive order to

"Enlarge, contract, or otherwise change the boundary of any province, sub-province, municipality, or township or other political subdivision, or separate any such subdivision into such portions as may be required as aforesaid, merge any of such subdivisions or portions with another, divide any province into one or more subprovinces as may be required as aforesaid, name any new subdivision so created, change the seat of government within any subdivision, existing or created hereunder, to such place therein as the public interests require, and shall fix in such executive order the date when the change, merger, separation, or other action shall take effect."

Authority was also granted the governor-general to take such other action by the appointment of officials, reassignment of territorial jurisdiction and otherwise, as to make the act effective.

Under this law 36 former municipalities have been recreated by separation from other municipalities with which they had been fused during the period intervening between the passing of the Spanish Government in these islands and the enactment of the law in question. These fusions had been premised in the majority of cases upon the inefficiency of the municipal governments then existing, owing to indifference of officers in the matter of collection of revenue or other analogous matters. However, the inconvenience to the residents of the fused municipalities in the payment of taxes, in the dispatch of other business with the local authorities, and in the relegation of what formerly had been independent municipalities to the status of barrios or mere dependent districts under the jurisdiction of other municipalities, had caused much complaint and an apparent keen desire to correct the faults which had caused the retrograde step of fusion. Some of these separations may prove to have been untimely, yet there can be no question but that in the great majority of instances the action taken was in accord with the best interests of the public service.

The number of municipalities, townships, and settlements in existence June 30, 1908, as well as the number of municipal and township officials, is shown in the following table:

Municipal and township officers.	Americans.	Filipinos.	Total.
Presidents.....	6	708	714
President-secretaries.....	1	5	6
Vice-presidents.....	2	714	716
Vice-president-treasurers.....		4	4
Secretaries.....	2	620	622
Treasurers.....	1	621	622
Secretary-treasurers.....		94	94
Councillors.....	3	6,682	6,685
Justices of the peace.....	10	629	639
Auxiliary justices of the peace.....	1	602	603
Notaries public (appointed by the courts and including Manila).....	56	1,131	1,187
Total.....	82	11,780	11,862
Municipalities.....			655
Townships.....			65
Settlements.....			188
Total.....			908

Percentage of total.

Americans.....	0.69
Filipinos.....	99.31

The percentage of Americans holding municipal offices continues to decrease. Last year it was $\frac{77}{100}$ of 1 per cent, this year $\frac{72}{100}$.

FINANCIAL CONDITION OF MUNICIPAL GOVERNMENTS.

The revenues of municipal governments, except those of the city of Manila, which are not considered in this report, have been from the beginning notoriously inadequate to meet the needs of those governments, even had the personnel been ideally efficient. The total revenues and receipts from all sources during the year 1906 were ₱4,366,554.37 for general fund account, an average of ₱4,808.98 per municipality; for the year ending December 31, 1907, to but ₱3,991,206.47, or an average of ₱4,395.60 per municipality. The decrease for the year 1907 as compared with 1906 was due to the fact that the suspension of the land tax was continued, and in lieu thereof municipal governments received from the insular government but 50 per cent of the amount which might have been collected under the assessment, while in 1906 they received as such reimbursement an amount equal to that which had been collected during the last year in which the tax was in force. Reduction also occurred in the revenues derived from the percentage of internal revenues payable to municipalities, there having been transferred from the insular treasury to municipal treasuries during 1906 funds on account of the last quarter of 1905, adjustment of which had been delayed. Another considerable falling off in 1907 revenues as compared with those of 1906 was in the item of proceeds of the collection of delinquent land taxes pertaining to 1905 and previous years, on account of which approximately ₱225,000 had been collected and accrued to the general fund during 1906, and less than ₱114,000 in 1907. There was a diminution also in lesser amounts under the heads of opium permits, owing to the more restricted use of that drug, registration of cattle, fines, and sale of stray cattle. Increased collections are reported under the head of the cedula tax, weights and measures which now accrue to municipal treasuries; licenses, cart tax, and other minor sources.

The balance on hand in the general fund account of municipalities on January 1, 1908, was ₱608,047.02, which, added to the receipts, gave a total of ₱4,972,601.39 available for expenditure during 1908. Compared with these figures we have for the year 1907 a balance on hand January 1, 1907, of ₱1,090,317.21 and receipts amounting to ₱3,991,206.47, a total of ₱5,081,523.68, which was available for municipal purposes during the past year, in addition which there were the special funds destined exclusively to schools, ₱1,898.

441.65, and cemeteries, ₱30,608.57. The balances reported for December 31, 1907, were: General-fund account, ₱1,001,765.99; school fund, ₱734,521.94; cemetery fund, ₱25,762.77. Transfers were made during the year from general funds of ₱184,296.03 to school-fund account, as compared with ₱116,385.86 so transferred during 1906, and ₱3,784.77 to the cemetery fund, as compared with ₱515 in 1906.

The chief item of expense to municipal governments after schools has been the salaries and maintenance of police, for which ₱1,006,684.90 were expended during 1907, as compared with ₱1,035,844.59 during 1906. For public works there were expended by municipal governments during 1907 ₱582,502.66, as compared with ₱461,789.63 during 1906, in addition to ₱178,331.06 for construction, repair, and improvement to municipal school buildings during 1907, as compared with ₱151,101.20 for the same purpose during 1906. The administrative expense of salaries of officials and employees, exclusive of police, amounted to ₱1,533,914.92 during 1907, as compared with ₱1,603,548.30 expended for the same purposes during 1906.

Statements of the receipts and expenditures of municipal governments will be found in the report of the insular auditor.

THE LAND TAX.

As stated in the last annual report, the suspension of the land tax was continued during the calendar year 1907. However, the provinces and municipalities were reimbursed under the provisions of Act No. 1579 in an amount equal to but 50 per cent of the maximum tax collectible under the new assessment instead of practically the full amount, as was the case in 1906. As a partial payment on account of the year 1907, and pending the completion of the new assessment, there was paid to the various provinces and municipalities ₱606,927.63. Upon the completion of the new assessment and the filing of certified statements of the new assessed valuation there was found to be due ₱521,276.18, which was immediately paid over to them, making a total of ₱1,138,143.18 paid by the insular government on account of reimbursement in lieu of the land tax for that year. The result of the suspension and the reduced reimbursement for 1907 brought home to the provincial and municipal governments the fact that the revenue derived from the land tax is absolutely necessary to their maintenance, with the result that when Act No. 1713 was passed, authorizing provincial boards to remit the collection of the land tax, but two provinces in the islands, namely, Iloilo and Cebu, availed themselves of the privilege, all of the remaining collecting the tax under the new assessment. On May 13 last the Philippine Legislature passed Act No. 1821, empowering provincial boards in their discretion to extend the period for the payment of the land tax without penalty to not later than September 30, 1908. All provincial boards granted extensions, some taking the full time allowed by law and others a shorter period.

During the years 1906 and 1907, taking advantage of the suspension of the land tax, special efforts were made by the various provincial treasurers to clear up the outstanding delinquent tax for 1902, 1903, 1904, and 1905, with the result that but little thereof remains uncollected. Under the provisions of the municipal code regarding the land tax which governed during the period 1902 to 1905, real property which was delinquent in the payment of taxes was offered for sale at public auction. A small amount was purchased, but the bulk of it was forfeited to the municipalities, there being no bidders. Under the law, at the expiration of one year the title to the forfeited property would have passed absolutely to the municipality. On April 30 last the Philippine Legislature passed Act No. 1819 permitting, until December 31 next, the redemption of real property forfeited to municipalities for nonpayment of taxes. It is believed that practically all forfeited property will be redeemed within this period. In the annual report for 1907, under the heading "Suggestions as to the collection of land tax" there was discussed at some length the advisability of discontinuing the sale of real property for delinquency in the payment of land tax and substituting therefor forfeiture to the insular government as a last resort. The Philippine Commission on October 12, 1907, enacted Act No. 1791 abolishing the sale of real property delinquent in the payment of land taxes and substituting therefor confiscation to the insular government. The result of the new act is to abolish one of the most prolific sources of complaint among the people, and to reduce to a minimum the expense of handling real property

which is delinquent in the payment of the land tax, the owners of which can not or will not pay the same.

The new assessment of real property under the provisions of Act No. 1455, as amended, was completed on July 31 last, when the central equalizing board concluded its labors. The result, exclusive of the city of Manila, shows 2,286,439 parcels of land, valued at ₱324,047,367, of which 1,813,463 parcels, valued at ₱279,760,047, are taxable and 472,976, valued at ₱44,287,320, are exempt. The taxable parcels under the old assessment numbered about 1,500,000 and were valued at ₱293,445,454.71. It will thus be seen that in the provinces, while there was an increase in the number of taxable parcels amounting to about 20 per cent, there was a decrease in assessment valuation of about 5 per cent.

In the city of Manila, to which the provisions of Act No. 1455 as amended did not apply, there are 15,133 parcels, valued at ₱128,141,222, of which 14,893, valued at ₱81,943,694, are taxable, and 240, valued at ₱46,197,528, are exempt. Of the exempt property in Manila 156 parcels, valued at ₱30,764,713, belong to the various branches of the government, and 84, valued at ₱15,432,815, to churches, religious orders, and educational institutions.

The total number of taxable parcels in the Philippine Islands is 2,301,572, with an assessed valuation of ₱452,188,589, of which 1,828,356, valued at ₱361,708,741, are taxable, and 473,216, valued at ₱90,484,848, are exempt.

The total cost of the new assessment to provincial and municipal governments was as follows:

	Salaries, per diem, traveling expenses.	Supplies, miscellaneous.	Total.
Provincial governments.....	₱108,787.56	₱23,195.24	₱131,982.80
Municipal governments.....	18,284.91	6,615.49	24,900.40
Total	127,072.47	29,810.73	156,883.20

The result of the new assessment has been to secure relative uniformity and equality in the assessed value of lands not only as between municipalities of the same province but also between the various provinces.

The provincial boards have been constituted permanent boards of revision with power to meet annually for the purpose of revising and correcting erroneous or unjust assessments, such action being subject to the approval of the executive secretary.

CONCLUSION.

In the preceding sections mention has been made of those matters in which the responsibility of this bureau is most direct and which will probably not be covered in the reports of other officers. Much effort has been devoted, however, during the past year to a multitude of official matters which have been delegated formally or informally to the executive bureau by the governor-general, the secretaries of departments, the Commission, and the Assembly.

Correspondence with the members of the consular corps is carried on almost wholly by this office in behalf of the government, as is also the greater portion of that had with the army and the navy in the archipelago and with the Bureau of Insular Affairs at Washington.

Pursuant to a request by the speaker of the Philippine Assembly the assistant executive secretary prepared and submitted to the former on March 10 last a compilation of estimated revenues and expenses for the fiscal years 1908 and 1909, and statement of actual revenue and expense transactions for the year 1907 in form to serve as the basis and proposed scheme for the annual budget for 1909. While the data were furnished by the chiefs of the several bureaus and offices of the government, the work of compilation included that of co-ordination, as well as verification of all important items, both to secure uniformity and avoid errors which if passed over would be certain to cause more or less serious administrative difficulties after the Legislature had adjourned and relief become impossible for practically a year. This "preliminary budget," as it was termed, comprised 180 large printed pages and was drawn in both the English and Spanish languages. As a discussion of the the action of the

Legislature in the matter of appropriations will doubtless be made in the report of the secretary of finance and justice, no further comment regarding the budget or action thereon is made by the writer.

A general review of the work of the bureau for the period covered by this report shows a material increase in the volume of work dispatched, notwithstanding the elimination of much detail and simplification of administrative procedure. This fact, together with the decrease in personnel, has necessarily caused a material increase in the services received by the government from the officials and employees of the executive bureau. The offices of the bureau have been open for the dispatch of urgent matters not only Saturday afternoons, but also until noon and frequently the entire day on holidays. On many occasions it has been necessary for members of the bureau to work at their desks until very late at night, and it is to their credit that nothing but serious sickness has interfered with the devotion of all their strength and time to the public service as circumstances have demanded. The minimum office hours required by law are six and one-half daily except Saturdays, when the official day may be closed at 1 o'clock p. m. The executive bureau, however, has been operated on a basis of seven hours daily, except Saturdays, for the entire force, and in addition thereto overtime services have necessarily been required amounting during the year to a total of thirty-three thousand seven hundred and sixty-nine hours and thirty-two minutes, or four thousand eight hundred and twenty-four days, one hour, thirty-two minutes, equivalent approximately to the services during ordinary hours of 18 clerks for a period of one year, for which of course no additional compensation was expected or could be made under the law. This loyal cooperation by all the personnel of the bureau has made possible the accomplishment of its work during the year without serious delay in any instance.

Respectfully submitted.

F. W. CARPENTER,
Executive Secretary.

The GOVERNOR-GENERAL,
Manila, P. I.

EXHIBIT A.

REPORT OF THE CHIEF, DIVISION OF LEGISLATIVE RECORDS.

MANILA, P. I., July 22, 1908.

SIR: I have the honor to submit the following report of the division of legislative records for the period October 16, 1907, to June 30, 1908.

The last annual report of the recorder of the Commission, and a supplement thereto prepared at the request of the executive secretary, summarized not only the legislative work for the fiscal year ended June 30, 1907, but also for the period from July 1, 1907, to October 15, 1907, inclusive, in order that the record of the legislative work might start anew with the organization of the Philippine Legislature.

CREATION OF DIVISION.

The division of legislative records was authorized by Act No. 1679, the general appropriation act for the fiscal year 1908, on the recommendation of the executive secretary, in order that he might have some systematic manner of keeping the records of the Legislature, of which he was made custodian by the election law. In accordance with Act No. 1679, the division began its duties with the opening of the Philippine Legislature on October 16, 1907.

PERSONNEL.

It was provided by the act authorizing the division that the secretary of the Commission should act as the chief thereof and should be allowed the following force: "One clerk, class six; two clerks, class seven; one clerk, class nine; one clerk, class ten; one messenger, at three hundred pesos per annum; and such other employees as might be necessary from time to time and as might be assigned to his office by the executive secretary from the authorized force of the executive bureau."

This is the same force as that theretofore allowed the office of the recorder of the Commission, with the exception of one clerk of class 6, a verbatim stenographer to assist the secretary in committee work. There is no personnel provided for the office of the secretary of the Commission, and by far the greater portion of the time and energy of the personnel of the division of legislative records are occupied in the work of that office, this personnel being carried in the division of legislative records of the executive bureau only as a matter of convenience in accounting and for the purpose of affording a more elastic and economical working force for both the executive bureau and the office of the secretary of the Commission.

DUTIES OF THE DIVISION.

The duties of the division of legislative records are, in general, to receive and file in a careful and orderly manner all bills, resolutions, and other matters upon which action has been taken by both houses or by the Commission acting within its exclusive general legislative jurisdiction over all that portion of the islands inhabited by Moros or other non-Christian tribes, together with all documents and papers upon which said bills and resolutions are based; to receive and file all signed original acts and resolutions of the Legislature; to certify under seal to all officials concerned in their application copies of acts and resolutions; to prepare all acts and resolutions for printing, and to proof read the English copy thereof; to receive and file all acts passed by the legislative council of the Moro Province; to receive and answer all communications with reference to action taken by the Legislature; to prepare and furnish to the Official Gazette and daily press for official publication all laws and resolutions of the Legislature; to receive and forward to the newspapers with which the government has advertising contracts all official notices, proposals for bids, and so forth, received for publication by the executive bureau from the various bureaus and offices of the government, and to see that such advertisements appear in the papers in accordance with the contracts.

Besides these duties and those of the office of secretary of the Commission, the force of the division of legislative records has been called upon to make verbatim reports of meetings of special committees and addresses made by public officials at official and semiofficial gatherings, to check over references in proposed legislation, and to some extent to prepare and assist in the preparation of bills and resolutions.

ORGANIZATION OF THE PHILIPPINE LEGISLATURE.

Pursuant to the proclamation of the governor-general dated September 14, 1907, as amended by his proclamation dated October 11, 1907, made in accordance with the provisions of the act of Congress approved July 1, 1902, the members of the Philippine Commission and the members-elect of the Philippine Assembly met in the Grand Opera House, Calle Cervantes, city of Manila, at 9 o'clock and 25 minutes of the forenoon.

The delegates-elect of the Philippine Assembly entered the hall in a body at 9 o'clock antemeridian, and shortly after the hour of 9, Hon. William H. Taft, Secretary of War of the United States; Hon. James F. Smith, governor-general of the Philippine Islands; and Hon. Dean C. Worcester, Hon. T. H. Pardo de Tavera, Hon. Benito Legarda, Hon. José R. de Luzuriaga, Hon. W. Cameron Forbes, and Hon. W. Morgan Shuster, members of the Philippine Commission, accompanied by Maj. Gen. Leonard Wood, commanding the Philippines Division of the United States Army; Rear-Admiral Hemphill, commanding officer of the United States Asiatic Fleet at this station; Brig. Gen. Clarence R. Edwards, Chief of the Bureau of Insular Affairs; and Hon. Arthur W. Fergusson, executive secretary of the Philippine Islands, arrived and took the seats provided for them on the stage.

There were present also the members of the supreme court; Monsignor A. Ambrose Agius, apostolic delegate, and Right Rev. Jorge Barlin; the official representatives of foreign governments in the Philippine Islands, and the various provincial governors.

All remaining available space in the theater was occupied by invited officials, families of members, and the general public.

After a brief review by the governor-general of the several steps leading up to the opening of the Philippine Assembly, and an address by the honorable the Secretary of War preliminary to the installation of the Assembly, the call of

the roll disclosing the presence of 79 of the persons who appeared by the returns to have been elected as delegates out of a total of 80, by authority of the President of the United States the Secretary of War, at 12 o'clock meridian, declared the Philippine Assembly open for the transaction of business. After the pronouncement of the invocation by Bishop Barlin, the Assembly adjourned to meet again at the marble hall of the Ayuntamiento at 5 o'clock post-meridian.

On October 17, 1907, the Assembly notified the Commission that it had duly organized and was ready for the transaction of such business as might come before it, and on the afternoon of said date a joint convention of the Commission and the Assembly was held in the Assembly hall, at which the chief executive appeared and read his first message to the Legislature.

The Legislature having thus organized and entered upon its duties adopted a resolution during the first period of its meetings denominating the present Legislature the "First Philippine Legislature," the session beginning with the installation of the Assembly the "Inaugural session," the following session the "First session," and providing that the sessions of each Legislature should be numbered consecutively, and in the event of a special session being held during any Legislature that it should be called simply "Special session." This resolution also provided for the number of acts and resolutions to be printed, as well as for the method of numbering them. The last act of the Philippine Commission acting alone as the legislative body of the Islands having been numbered 1,800, it was determined that the acts of the new Legislature should begin with 1,801, continuing in the same series for the sake of convenience in reference.

In the preparation of laws and resolutions for printing, this division has been guided by this resolution.

The congressional act of July 1, 1902, provides that:

"The Legislature shall hold annual sessions, commencing on the first Monday of February in each year and continuing not exceeding ninety days thereafter (Sundays and holidays not included): *Provided*, That the first meeting of the Legislature shall be held upon the call of the governor within ninety days after the first election."

This act also provides that:

"The Legislature may be called in special session at any time by the civil governor for general legislation, or for action on such specific subjects as he may designate. No special session shall continue longer than thirty days, exclusive of Sundays."

In accordance with these provisions of congressional law, the inaugural session of the first Philippine Legislature began on October 16, 1907, and continued for a period of ninety days, Sundays and holidays excluded, terminating on February 1, 1908; the first session began on Monday, February 3, 1908, and continued for a period of ninety days, Sundays and holidays excluded, terminating on May 21, 1908. A special session was immediately called by the governor-general. This special session began on Friday, May 22, 1908, and continued for a period of twenty-five days, excluding Sundays, terminating on June 19, 1908—making a total of two hundred and five days on which the Legislature was authorized to sit during the fiscal year ended June 30, 1908. Meetings, however, were not held on all of these days, the Assembly holding sessions on one hundred and eighty-eight days and the Commission on a much less number.

The following statements, made up from the records of this division, give the numbers and titles of all bills and resolutions which became law or on which action was taken by either or both houses during the inaugural, first and special sessions of the Legislature.^a

^a Most of these have been omitted and are on file in the Bureau of Insular Affairs, War Department. The same information, arranged in different form, is printed in the reports of the Philippine Commission and governor-general. Pages 87-101.

ASSEMBLY BILLS AND JOINT AND CONCURRENT RESOLUTIONS REFUSED PASSAGE, POSTPONED, SUBSTITUTED, OR OTHERWISE DISPOSED OF IN COMMISSION.

Inaugural session.

Bill No. 117.—An act to extend the period within which provincial boards organized under the provincial government act may remit the collection of the land tax. Refused passage, January 30, 1908.

Joint Resolution No. 5.—Authorizing the resident commissioners to the United States to have one private secretary each at the rate of four thousand pesos each, payable in monthly installments, in addition to actual and necessary traveling expenses from Manila to Washington and vice versa, once during the term of office of such commissioners, chargeable to the funds of the government of the Philippines. Refused passage and Commission bill No. 4 introduced in lieu thereof, December 19, 1907.

First session.

Bill No. 77.—An act appropriating the sum of two hundred thousand pesos for the construction of a custom-house and the installation of an arrastre plant in the port of Cebu. Referred to committee on appropriations, April 3, 1908, and not reported back, as provision for building included in public works appropriation bill.

Bill No. 104.—An act amending Act Numbered Fifteen hundred and thirty-seven of the Philippine Commission on horse races in the Philippine Islands. Indefinitely postponed, March 24, 1908.

Bill No. 125.—An act to amend Act Numbered Eleven hundred and twenty, entitled "An act providing for the administration and temporary leasing and sale of certain haciendas and parcels of land, commonly known as friar lands," by adding to section seventeen of said act a new paragraph providing that in cases of loss of crops by public calamities the payment of the rent or purchase price on such lands shall be suspended for one year. Indefinitely postponed, May 15, 1908.

Bill No. 136.—An act amending Act Numbered Fourteen hundred and eighty-seven, entitled "An act abolishing provincial boards of health, substituting therefor district health officers and defining their powers and duties, and repealing Act Numbered Three hundred and seven, entitled 'An act providing for the establishment of provincial boards of health and fixing their powers and duties,'" by authorizing the director of health, on recommendation of the provincial boards, to increase the number of district health officers or place two or more provinces under one officer. Indefinitely postponed, April 30, 1908.

Bill No. 148.—An act amending section fourteen of Act Numbered Seventy-four, by providing that along with the teaching given in the English language in the public primary schools instruction also be given in the language most generalized in the region to which they may belong; authorizing the director of education to expend from the funds appropriated for his bureau the sum necessary to carry this act into effect, and for other purposes. Refused passage and commission bill No. 53 introduced in lieu thereof, May 21, 1908.

Bill No. 175.—An act amending Act Numbered Eighty-two, known as the municipal code, and all acts amendatory thereof, relating to the tax on carts and sledges and the use of same on the roads of the Philippine Islands. Passed on file, April 3, 1908, and disposed of by Joint Resolution No. 12 providing for committee to investigate road problem.

Bill No. 204.—An act abolishing the bureaus of lands and forestry, and creating instead thereof one single bureau to be known as the bureau of forests and lands. Indefinitely postponed, May 18, 1908.

Concurrent Resolution No. 18.—Giving instructions to the resident commissioners to the United States representing the Philippine Legislature, to secure from Congress the amendment of section seven of the act of July first, nineteen hundred and two, as provided in this joint resolution. Indefinitely postponed, April 3, 1908.

Special session.

- Bill No. 28.**—An act providing for the creation and employment of jurors (jueces de hecho) in criminal matters in the courts of first instance and municipal courts in the city of Manila, and in the courts of first instance and justice of the peace courts in the provinces and municipalities of the Philippine Islands. Refused passage, May 29, 1908.
- Bill No. 62.**—An act providing for the creation of a special class of corporations for the purpose of protecting and promoting the agricultural interests of the country. Postponed, June 12, 1908.
- Bill No. 120.**—An act to establish a uniform system of bankruptcy and insolvency throughout the Philippine Islands. Postponed, June 12, 1908.
- Bill No. 134.**—An act amending subsection (c) of section one of Act Numbered Thirteen hundred and thirty-eight amending section seventy-four of Act Numbered Eleven hundred and eighty-nine. Refused passage, June 13, 1908.
- Bill No. 195.**—An act fixing the salaries of the officials of the administration of the Philippines. Indefinitely postponed, June 13, 1908.
- Bill No. 197.**—An act abolishing the bureau of civil service and organizing in its stead a division which shall be known by the name of "division of civil service" and which shall be attached to the bureau of audits. Indefinitely postponed, June 13, 1908.
- Bill No. 201.**—An act prohibiting the employment of foreigners as engineers or assistant engineers on vessels of the Philippine Islands, and repealing certain sections of Acts Numbered seven hundred and eighty and ten hundred and twenty-five. Postponed until next regular session, June 13, 1908.
- Bill No. 230.**—An act prohibiting the payment of the price of work of laborers by means of tokens or any other class of checks. Indefinitely postponed, June 13, 1908.
- Bill No. 236.**—An act repealing the provisions of paragraph two of section four of Act Numbered Fifteen hundred and eighty-two, known as the election law, and declaring in force subsection (b) of section thirty-nine of Act Numbered Eighty-two. Refused passage, May 29, 1908.
- Bill No. 239.**—An act amending Act Numbered Eleven hundred and forty-seven, as amended, regulating the registration, branding, conveyance, and slaughter of large cattle, and providing for the disposition, care, custody, and sale of estrays or large cattle captured or seized by the Philippine Constabulary or other peace officers, and for other purposes. Postponed until next regular session, June 15, 1908.
- Bill No. 241.**—An act authorizing municipal and provincial governments to grant, under certain conditions, privileges and concessions for the utilization of public water for agricultural irrigation, and for other purposes. Refused passage, June 13, 1908.

SUMMARY.

	Bills.	Joint resolutions.	Concurrent resolutions.
Inaugural session	1	1	0
First session	7	0	1
Special session	11	0	0
Total	19	1	1

COMMISSION BILLS REFUSED PASSAGE, POSTPONED, SUBSTITUTED, WITHDRAWN BY COMMISSION, OR OTHERWISE DISPOSED OF IN ASSEMBLY.

INAUGURAL SESSION.

[None.]

First session.

- Bill No. 9.**—An act to punish the unlawful acquirement of public property used by the army and navy of the United States. Refused passage, March 4, 1908.

- Bill No. 19.**—An act to authorize Gregorio Caubang and Filomena Laurora to contract marriage. Refused passage, March 3, 1908.
- Bill No. 23.**—An act authorizing and directing the treasurer of the Philippine Islands, as the representative of the government of the Philippine Islands, to demand, bring suit to recover, receive, and receipt for funds belonging to the subscription for the relief of those damaged by the earthquake of June third, eighteen hundred and sixty-three, and to distribute the same in accordance with allotments duly made, and for other purposes. Withdrawn by commission, February 15, 1908.

Special session.

- Bill No. 25.**—An act to amend Act Numbered Eleven hundred and forty-seven, as amended, regulating the registration, branding, conveyance, and slaughter of large cattle, and providing for the disposition, care, custody, and sale of stray or large cattle, captured or seized by the Philippine Constabulary or other peace officers. Indefinitely postponed, May 20, 1908, and substituted by assembly bill No. 239.
- Bill No. 53.**—An act establishing an institute of Philippine languages, providing for the training of public school teachers of Philippine languages, and appropriating the sum of twenty thousand pesos for the establishment of said institute. Postponed until next session, June 2, 1908.
- Bill No. 57.**—An act amending subsection one of paragraph three of section one of Act Numbered Fourteen hundred and ninety-seven, changing the termini of the line of the Philippine Railway Company in the island of Negros. Postponed until next session, June 13, 1908.
- Bill No. 58.**—An act to provide for the purchase of a revenue cutter and fast deck launches for the same and for one of the coast-guard cutters. Postponed until next session, June 13, 1908.
- Bill No. 64.**—An act creating the office of shipping commissioner, defining his duties, regulating the shipment and discharge of seamen in domestic vessels, the adjudication of wage disputes in certain cases, the relief of distressed seamen, the settlement of the estates of deceased seamen, and for other purposes. Postponed until next session, June 18, 1908.
- Concurrent Joint Resolution No. 5.**—Joint resolution providing for the appointment of a committee to be composed of members of both houses, to act during the recess of the legislature, to study the organization and operation of the bureaus and offices of the insular government, the appropriation bill for the fiscal year nineteen hundred and ten, and other legislation and appropriations, and to discharge the duties imposed by Act Numbered Eighteen hundred and nine during said recess. By the president of the Commission.

The subject-matter of this joint resolution was provided for in general appropriation bill by assembly.

- Concurrent Resolution No. 1.**—Concurrent resolution approving the action of the provincial board of Bulacan in constructing the dormitory for the provincial high school without first applying for bids.

The subject-matter of this concurrent resolution was provided for in general appropriation bill by Assembly.

SUMMARY.

	Bills.	Joint resolution.	Concurrent resolution.
Inaugural session	0	0	0
First session	3	0	0
Special session	5	1	1
Total	8	1	1

The following statements are not taken from the records of this division, records of the two houses, and are included in this report, by only as a matter of convenience for the governor-general in the his report to the Secretary of War:

COMMISSION BILLS REFUSED PASSAGE, POSTPONED, SUBSTITUTED, WITHDRAWN,
OR LAID ON THE TABLE IN COMMISSION.*Inaugural session.*

- Bill No. 1.—An act to extend the provisions of Act Numbered Fifty-nine, entitled "An act regulating the sale of intoxicating liquors within the city of Manila and its attached barrios," as amended by Act Numbered Ninety-five, to the municipalities within the two and one-half mile police jurisdiction zone surrounding the city of Manila. Refused passage, October 18, 1907.
- Bill No. 2.—An act to amend Act Numbered Eleven hundred and forty-seven, regulating the registration, branding, conveyance and slaughter of large cattle, by extending its provisions to the city of Manila, by providing a penalty for registering branded cattle after March thirty-first, nineteen hundred and eight, by providing for the surrender of certificates of ownership of dead cattle, et cetera, and to amend section two of Act Numbered Fourteen hundred and sixty-five. Refused passage and bill No. 22 substituted therefor, January 7, 1908.
- Bill No. 12.—An act to amend Act Numbered Eleven hundred and eighty-nine, entitled "The internal revenue law of nineteen hundred and four," as amended, by authorizing the governor-general, under certain conditions, to exempt certain persons or classes of persons from the enforcement of cedula taxes due and delinquent. Refused passage, January 6, 1908.
- Bill No. 13.—An act to provide a legal rate of interest for the loan or forbearance of money in the Philippine Islands, to punish usury, to repeal article eleven hundred and eight of the civil code, and for other purposes. Refused passage in Commission, January 6, 1908.
- Bill No. 16.—An act to refund customs duties in certain cases. Indefinitely postponed, January 16, 1908.
- Bill No. 18.—An act providing for the retirement of certain civil employees of the Philippine government on part pay after ten or more years of satisfactory service. Indefinitely postponed, January 18, 1908.
- Bill No. 21.—An act abolishing the office of sheriff as now constituted in the various provinces of the Philippine Islands and imposing the duties of the sheriff upon the clerk of the court of first instance and the senior inspector of constabulary, repealing acts and parts of acts inconsistent with this act, and for other purposes. Refused passage, January 15, 1908.
- Bill No. 22.—An act regulating the registration, branding, conveyance, and slaughter of large cattle, and providing for the disposition, care, custody, and sale of estrays or large cattle captured or seized by the Philippine constabulary or other peace officers, and repealing Acts Numbered Six hundred and thirty-seven and Eleven hundred and forty-seven and so much of Act Numbered Eight hundred and seventy-seven as provides for the disposition, care, custody, or sale of cattle, carabaos, horses, and animals of the bovine family, and all other acts or parts of acts inconsistent with the provisions of this act. Refused passage and bill No. 25 substituted therefor, January 13, 1908.
- Bill No. 29.—An act providing for the filing with the division of archives, patents, copyrights, and trade-marks of the executive bureau, of titles and papers setting forth the acquisition of real-estate mortgages and contracts of guaranty executed by railway companies operating in the Philippine Islands. Refused passage, January 27, 1908, and bill No. 31 introduced in lieu thereof, January 29, 1908.

First session.

- Bill No. 7.—An act amending section two of Act Numbered Six hundred and twenty-four of the Philippine Commission, designating who shall perform the duties of mining recorder, and adding a new section to said act by providing the manner in which patents for mining claims shall issue. Committee on matters pertaining to the department of the interior reported that similar bill already passed by Assembly, March 25, 1908.
- Bill No. 8.—An act designating the insular treasury as official depository for subscriptions to the Philippines memorial in honor of deceased United States soldiers, sailors, and marines who succumbed in the Philippine Islands, and providing for the collection and disbursement of said funds.

- Bill No. 54 (Act No. 1840) introduced by president of the Commission in lieu thereof, May 21, 1908.
- Bill No. 10.—An act to provide that on and after January first, nineteen hundred and eight, all notices, announcements, and advertisements of the insular government shall be published in the Official Gazette. Indefinitely postponed, May 15, 1908.
- Bill No. 39.—An act to provide for the establishment of a bureau to be known as "bureau of labor of the Philippines," for the purpose of preparing legislation on labor in the most ample sense, especially agricultural and rural, of putting the same into execution, and of organizing the necessary inspection and statistical service, and for other purposes related with labor in these islands. Referred to special committee, March 31, 1908. (Subject-matter disposed of by Assembly bill No. 227 (Act No. 1868).)
- Bill No. 51.—An act to amend Act Numbered Sixteen hundred and seventy-nine, entitled "An act making appropriations for sundry expenses of the insular government for the fiscal year ending June thirtieth, nineteen hundred and eight, and other designated periods," by making provisions for the carrying into effect of the act of Congress approved May eleventh, nineteen hundred and eight. Withdrawn in Commission, May 21, 1908, assembly bill No. 148, containing identical provisions, having been passed previously.

Special session.

- Bill No. 35.—An act granting an extension of the time until June first, nineteen hundred and eight, for the completion by the Manila Suburban Railways Company of that portion of its line east of Fort William McKinley to the town of Pasig. Laid on the table June 13, 1908.
- Bill No. 43.—An act to amend Act Numbered Sixteen hundred and ninety-eight, entitled "An act for the regulation of the Philippine civil service," with regard to the conditions of service of teachers appointed shortly after the beginning of a school year. Laid on the table June 13, 1908.
- Bill No. 46.—An act amending subsections four and five of section five hundred and eighteen and subsection one of section five hundred and thirty-four of the penal code, prescribing the penalty to be imposed for the violation of said section. Indefinitely postponed June 13, 1908.

SUMMARY.

	Bills.
Inaugural session	9
First session	5
Special session.....	3
Total	17

ASSEMBLY BILLS AND JOINT RESOLUTION REFUSED PASSAGE, POSTPONED, SUBSTITUTED, OR WITHDRAWN IN ASSEMBLY DURING SESSIONS OF THE LEGISLATURE.

- Bill No. 3.—An act providing for the construction of public buildings for the use of the government of the Philippine Islands. Introduced by Delegate Gabaldon on October 29, 1907. Substituted by bill No. 210.
- Bill No. 19.—An act amending Act Numbered Eighty-two, entitled "A general act for the organization of municipal governments in the Philippine Islands," as amended by Act Numbered Seven hundred and seventy-four, by excluding from its provisions carts and sledges used on haciendas and which are not used on provincial or municipal roads. Introduced by Delegate Montilla on November 2, 1907. Substituted by bill No. 175.
- Bill No. 22.—An act to define the responsibility for accidents to laborers as a result of their work and establishing the procedure with regard to indemnity. Introduced by Delegate Guerrero on November 6, 1907. Substituted by bill No. 244.
- Act amending Act Numbered Nine hundred and twenty-six, land act," by providing for the extension of the time for free patents to public lands until January first, nineteen

hundred and twelve. Introduced by Delegate Borja on November 8, 1907. Substituted by bill No. 135.

- Bill No. 29.**—An act creating the office of municipal fiscal in all of the municipalities of the Philippine Islands. Introduced by Delegate Causing on November 8, 1907. Rejected.
- Bill No. 31.**—An act providing that in all primary schools in all pueblos and barrios supported with municipal funds reading and writing in the native dialect of the province or region to which such schools belong shall be taught. Introduced by Delegate Corrales on November 8, 1907. Substituted by bill No. 148.
- Bill No. 36.**—An act making manual training in the public schools obligatory, and establishing grants to private schools where such training is given. Introduced by Delegates Fenoy and Lerma on November 11, 1907. Postponed.
- Bill No. 41.**—An act regulating the use of carts and sledges and amending Acts Numbered Eighty-two, Seven hundred and seventy-four, Eight hundred and fifty-one, One thousand and twenty-three, and Thirteen hundred, relating thereto. Introduced by Delegates Javier, Asprer, Reyes, Singson, and Rodriguez on November 12, 1907. Substituted by bill No. 175.
- Bill No. 45.**—An act providing for the establishment in all provincial capitals of this archipelago of the teaching of theoretical and practical agriculture. Introduced by Delegates Lerma and Fenoy on November 13, 1907. Postponed.
- Bill No. 56.**—An act providing for the amendment of several sections of Act Numbered Four hundred and ninety-six, known as the "Land registration act," as amended by Acts Numbered Eleven hundred and eight, Sixteen hundred and forty-eight, Sixteen hundred and eighty, and Sixteen hundred and ninety-nine, empowering the judges of the court of land registration and judges of first instance acting in said court to appoint administrators ad litem, guardians, and special administrators in the cases tried by them, and giving jurisdiction to judges of first instance to try and render judgment on registration matters falling within their jurisdiction, and for other purposes. Introduced by Delegate Imperial on November 21, 1907. Substituted by bill No. 214.
- Bill No. 57.**—An act organizing a department to be known as the library of the Philippines and establishing at the same time the office of compiler of Philippine documents abroad. Introduced by Delegates Paterno and Arejola on November 22, 1907. Substituted by bill No. 213.
- Bill No. 59.**—An act providing for the introduction of certain improvements in the primary schools of the Philippine Islands. Introduced by Delegate Ruiz on November 23, 1907. Withdrawn by the author.
- Bill No. 60.**—An act providing for the amendment of section twenty-seven of Act Numbered Sixteen hundred and twenty-seven on schedule on fees; exceptions; responsibilities of justice of the peace courts. Introduced by Delegate Claravall on November 29, 1907. Rejected.
- Bill No. 63.**—An act providing for the registration of property. Introduced by Delegate Pobre on December 3, 1907. Substituted by bill No. 214.
- Bill No. 67.**—An act providing for a law on public calamities. Introduced by Delegate Pobre on December 9, 1907. Substituted by bill No. 121.
- Bill No. 68.**—An act prohibiting the importation, manufacture, and sale of playing cards in the Philippine Islands. Introduced by Delegates Dementerio and Rosales on December 9, 1907. Rejected.
- Bill No. 79.**—An act amending section two of Act Numbered Twelve hundred and ninety-eight, as amended by Act Numbered Fifteen hundred and ninety-three, extending the time for the redemption of real property heretofore forfeited and deeded to municipalities for nonpayment of the land tax until December 31, 1908. Introduced by Delegates Villamor, Reyes, Gonzalez, Alvear, Asprer, Zanduetra, Padilla, Paterno, Javier, Lukban, Ray, and Fenoy on December 16, 1907. Substituted by bill No. 88.
- Bill No. 82.**—An act amending Act Numbered Fifteen hundred and thirty-seven of the Philippine Commission, as amended by Act Numbered Fifteen hundred and ninety-nine, by providing that horse races which correspond to December 30th shall not be held on that day, but on the previous Sunday, when it is not the first Sunday in the month, or on the following Sunday, if the Sunday immediately preceding the 30th day of December be the first Sunday in the month. Introduced by Delegate Fenoy on December 21, 1907. Substituted by bill No. 104.

- Bill No. 87.—An act declaring the first of May of each year an official holiday. Introduced by Delegates Fenoy and Lerma on December 31, 1907. Substituted by bill No. 205.
- Bill No. 92.—An act extending the time within which provincial boards may remit the land tax in their respective provinces. Introduced by Delegate Javier on January 3, 1908. Substituted by bill No. 192.
- Bill No. 99.—An act partially suspending the collection of the land tax in the Philippine Archipelago for a period of ten years, modifying the cedula tax, amending Act Numbered Eleven hundred and eighty-nine, entitled "The internal revenue act," and for other purposes. Introduced by Delegate Ruiz on January 11, 1908. Withdrawn.
- Bill No. 100.—An act declaring the conditions under which Royal lands or agricultural state lands may be acquired. Introduced by Delegate Velarde on January 13, 1908. Substituted by bill No. 214.
- Bill No. 105.—An act amending section three of Act Numbered Seventeen hundred and forty of the Philippine Commission, Series of 1907. Introduced by Delegate Rovira on January 17, 1908. Withdrawn.
- Bill No. 108.—An act appropriating from funds in the insular treasury the sum of ten thousand pesos for the relief of sufferers from the fires in the pueblos of Laoag and Paoay, province of Ilocos Norte. Introduced by Delegates Javier and Pobre on January 23, 1908. Substituted by bill No. 121.
- Bill No. 109.—An act appropriating a life pension to Doña Teodora Alonso, mother of Dr. José Rizal y Alonso. Introduced by Delegates Fenoy, Lerma, and others on January 24, 1908. Withdrawn.
- Bill No. 114.—An act appropriating from funds in the insular treasury the sum of fifteen hundred pesos for the relief of sufferers from the fire in the pueblo of Cardona, consolidated with the municipality of Morong, province of Rizal. Introduced by Delegates Revilla and Lukban on January 27, 1908. Substituted by bill No. 121.
- Bill No. 141.—An act authorizing the municipal councils to appropriate from their funds not otherwise appropriated certain amounts for prizes to farmers cultivating the largest tracts of lands under certain conditions. Introduced by Delegates Mapa and Fenoy on February 21, 1908. Referred to the committee on provincial and municipal governments. Rejected.
- Bill No. 188.—An act amending section twenty-two of Act Numbered Six hundred and ninety-eight, entitled "The revised civil service act," so as to reduce the number of office hours to five, from seven-thirty a. m., to twelve-thirty p. m., during the months of April, May, and June of each year. Introduced by Delegate Altavas on March 28, 1908. Postponed.
- Bill No. 202.—An act authorizing the governor-general of the Philippine Islands to declare any working day a public holiday under certain conditions. Introduced by Delegate Barretto on April 29, 1908. Substituted by bill No. 205.
- Joint resolution No. 8.—Petitioning the United States Congress to empower the Philippine Assembly to legislate for the Moro Province. Introduced by Delegate Clarin on November 8, 1908. Substituted by assembly joint resolution No. 18.

SUMMARY.

	Bills.
Assembly bills.....	29
Assembly joint resolution.....	1
Total.....	30

COMMISSION BILLS AMENDED BY THE ASSEMBLY.

Of the 31 Commission bills passed by the Assembly and now law, the following were amended by the latter body:

- Act No. 1813 (bill No. 28).—An act authorizing the governor-general to convey, under certain conditions and restrictions, insular property to provinces and municipalities of the Philippine Islands, to be used for public school purposes. Enacted, March 24, 1908.

- Act No. 1835 (bill No. 30).**—An act to grant to the Insular Coal Company (Incorporated) a franchise to construct, maintain, and operate a railway line from the shore line at the port of Danao to the coal district of Camansi, province of Cebu. Enacted, May 21, 1908.
- Act No. 1847 (bill No. 40).**—An act amending sections nine and eleven of Act Numbered Eleven hundred and twenty, entitled "The friar lands act," providing for the manner of sale of unoccupied lands and the time within which deferred payments by purchasers of friar lands may be made. Enacted, June 3, 1908.
- Act No. 1850 (bill No. 56).**—An act appropriating the sum of sixty-five thousand pesos and making available the unexpended balances of funds heretofore appropriated for the Philippine Assembly, to provide for the expense of a special session of the Philippine Assembly. Enacted, June 4, 1908.
- Act No. 1851 (bill No. 17).**—An act to provide for the protection of rights of property in telegraphic messages, and to prevent the forging or improper disclosure of telegrams. Enacted, June 9, 1908.
- Act No. 1862 (bill No. 11).**—An act amending section fourteen of Act Numbered Sixteen hundred and twenty-seven. Enacted, June 16, 1908.
- Act No. 1870 (bill No. 33).**—An act for the purpose of founding a university for the Philippine Islands, giving it corporate existence, providing for a board of regents, defining the board's responsibilities and duties, providing higher and professional instruction, and for other purposes. Enacted, June 18, 1908.

On Commission bills Nos. 17 (Act No. 1851) and 11 (Act No. 1862) conferences were held in which concessions were made by both houses.

ASSEMBLY BILLS AMENDED BY THE COMMISSION.

Of the 38 Assembly bills passed by the Commission and now law, the following were amended by the latter body:

- Act No. 1804 (bill No. 82).**—An act to amend Act Numbered Fifteen hundred and thirty-seven of the Philippine Commission, as amended by Act Numbered Fifteen hundred and ninety-nine of the said Commission, by providing that no horse racing shall be held on the thirtieth day of May, known as Memorial Day, or the thirtieth day of December, known as Rizal Day, and appointing other days in their stead. Enacted, January 11, 1908.
- Act No. 1809 (bill No. 121).**—An act appropriating the sum of one hundred thousand pesos from insular funds for the relief of sufferers from public calamities. Enacted, February 14, 1908.
- Act No. 1815 (bill No. 1).**—An act providing for the cancellation, under certain conditions of the unpaid balances remaining on loans made to certain provincial and municipal governments prior to the fifteenth of October, nineteen hundred and seven, out of the general funds of the insular treasury and of the United States congressional relief fund. Enacted, March 28, 1908.
- Act No. 1819 (bill No. 88).**—An act extending to December thirty-first, nineteen hundred and eight, the time within which real property which has been forfeited to municipalities for nonpayment of taxes may be redeemed. Enacted, April 30, 1908.
- Act No. 1821 (bill No. 192).**—An act to empower the provincial boards of the provinces that have adopted the double cedula tax to postpone the period for the payment without penalty of the cedula tax for the year nineteen hundred and eight to June thirtieth, nineteen hundred and eight, and empowering the provincial boards of all provinces, with the exception of Cagayan and Isabela, to postpone the payment without penalty of the land tax for the year nineteen hundred and eight to September thirtieth of said year. Enacted, May 13, 1908.
- Act No. 1832 (bill No. 115).**—An act abolishing the special tax of one per centum on the assessed value of undeclared property. Enacted, May 21, 1908.
- Act No. 1841 (bill No. 210).**—An act to provide for the construction of the capitol of the Philippine Islands, and to create a committee to prepare plans therefor. Enacted, May 30, 1908.
- Act No. 1846 (bill No. 191).**—An act to amend section eighteen, paragraph two of subsection (1) of Act Numbered Eighty-two, known as "The municipal code," as amended by Act Numbered Nine hundred and ninety-nine. Enacted, June 2, 1908.

- Act No. 1849 (bill No. 213).—An act providing for the establishment of a public library to be known as "The Philippine public library," making suitable appropriations therefor, and for other purposes. Enacted, June 3, 1908.
- Act No. 1864 (bill No. 237).—An act amending chapter one of Act Numbered Nine hundred and twenty-six by providing that payment of homestead entry fees may be made in installments, and by limiting the residence required by said chapter to the last two years immediately preceding the date of final proof. Enacted, June 18, 1908.
- Act No. 1865 (bill No. 240).—An act creating a government agricultural bank of the Philippine Islands, and appropriating for funds thereof the sum of one million pesos. Enacted, June 18, 1908.
- Act No. 1866 (bill No. 106).—An act appropriating the sum of seventy-five thousand pesos for salaries of teachers in barrio schools when established under certain conditions. Enacted, June 18, 1908.
- Act No. 1867 (bill No. 245).—An act providing for certain reforms in the organization of the Philippines constabulary. Enacted, June 18, 1908.
- Act No. 1868 (bill No. 227).—An act creating the bureau of labor, under the department of commerce and police. Enacted, June 18, 1908.
- Act No. 1869 (bill No. 176).—An act to amend the charter of the city of Manila, abolishing the advisory board and increasing the municipal board by adding thereto two elective members. Enacted, June 18, 1908.
- Act No. 1872 (bill No. 135).—An act amending Act Numbered Fourteen hundred and seven, entitled "The reorganization act," by providing for the free cutting and use of certain first-group timbers in buildings of strong materials. Enacted, June 19, 1908.
- Act No. 1873 (bill No. 198).—An act making appropriations for sundry expenses of the insular government for the fiscal year ending June thirtieth, nineteen hundred and nine, and other designated periods. Enacted, June 19, 1908.
- Act No. 1874 (bill No. 244).—An act to extend and regulate the responsibility of employers for personal injuries and deaths suffered by their employees while at work. Enacted, June 19, 1908.
- Act No. 1875 (bill No. 214).—An act amending Act Numbered Four hundred and ninety-six, entitled "The land registration act," and other acts relating thereto, to give greater facilities for obtaining titles and the registration of property in the Philippine Islands, appropriating the sum of two hundred and five thousand pesos for the judiciary and one hundred and fifty thousand pesos for the bureau of lands to meet the additional expenses involved, and for other purposes. Enacted, June 19, 1908.

Of these 19 bills, 8 were practically redrafted by the Commission, namely, Acts Nos. 1841 (bill No. 210), 1849 (bill No. 213), 1865 (bill No. 240), 1868 (bill No. 227), 1869 (bill No. 176), 1873 (bill No. 198), 1874 (bill No. 244), and 1875 (bill No. 214).

On Assembly bills Nos. 1 (Act 1815) and 135 (Act 1872) conferences were held, in which concessions were made by both houses.

No bills were lost by reason of nonconcurrence in amendments. Assembly bill No. 117, entitled "An act to extend the period within which provincial boards organized under the provincial government act may remit the collection of the land tax," was refused passage by the Commission and later a conference on the subject-matter thereof was held at the request of the Assembly with a view of incorporating the provisions of the bill in a revised form in a new bill. After discussion, however, the Assembly committee announced that they were convinced of the inadvisability of passing such a measure and agreed to recommend and did recommend to the Assembly that further consideration of the matter be postponed.

COMMISSION BILLS PENDING IN COMMISSION AT TIME OF LAST ADJOURNMENT.

Bill No. 3.—An act to provide for the inspection of steam and other vessels of the Philippine Islands, and to regulate the transportation of passengers and merchandise thereon.

This bill was discussed by the Commission with shipowners and merchants on December 4, 1907, and referred to the committee on matters pertaining to the department of finance and justice on December 13, 1907, who then referred it to the insular collector of customs, in order that he might consult further with the said gentlemen on the provisions of the bill

and then have prepared and ready for the Legislature at the beginning of the second session, if practicable, a report as to the amendments desired.

Bill No. 50.—An act providing for fees and expenses of witnesses in criminal proceedings and appropriating funds therefor, and amending section two of Act Numbered Sixteen hundred and ninety-seven.

Referred to committee on matters pertaining to the department of finance and justice on May 15, 1908, in order that said committee might furnish a copy thereof to each judge of the court of first instance for comment before final action by the Legislature.

ASSEMBLY BILLS AND JOINT AND CONCURRENT RESOLUTIONS PENDING IN THE ASSEMBLY AT THE TIME OF LAST ADJOURNMENT.

Bill No. 2.—An act repealing Act Numbered Seventeen hundred and seventy-three. Introduced by Delegate Clarin on October 29, 1907. Referred to the committee on the revision of laws.

Bill No. 4.—An act amending Act Numbered Nine hundred and forty-six. Introduced by Delegate Javier on October 30, 1907. Referred to the committee on provincial and municipal governments.

Bill No. 5.—An act granting the communal league to the municipalities of the Philippine Islands. Introduced by Delegate Lerma on October 30, 1907. Referred to the committee on public lands and to the committee on provincial and municipal governments.

Bill No. 6.—An act authorizing municipalities to enact ordinances establishing compulsory education. Introduced by Delegate Roco on October 30, 1907. Referred to the committee on public instruction.

Bill No. 7.—An act declaring October 16 of each year a public holiday. Introduced by Delegate Pobre on October 31, 1907. Referred to the committee on the revision of laws.

Bill No. 8.—An act amending paragraph two of subsection (j) of section forty-three of the municipal code as amended. Introduced by Delegates Lerma and Fenoy on October 31, 1907. Referred to the committee on provincial and municipal governments.

Bill No. 9.—An act amending sections forty-three, forty-nine, fifty-one, fifty-two, fifty-three, and fifty-five of Act Numbered Eighty-two, entitled the "Municipal code," and subsection (i) of section thirteen of Act Numbered Eighty-three, entitled the "Provincial government act," and changing the present administrative system on real property by providing that the tax imposed thereon shall bear on revenue and for rewards to informers of fraud or concealment of wealth. Introduced by Delegate Borja on October 31, 1907. Referred to the committee on provincial and municipal governments.

Bill No. 11.—An act amending Act Numbered Fifteen hundred and eighty-two, known as "The election law," and authorizing municipal councils to fill a permanent vacancy in an elective municipal office. Introduced by Delegate Zandueta on November 1, 1907. Referred to the committees on provincial and municipal governments and on elections.

Bill No. 12.—An act to provide for the form in which all acts of the Philippine Legislature, with some exceptions, shall take effect. Introduced by Delegate Sotto on November 1, 1907. Referred to the committees on the revision of laws and on rules.

Bill No. 13.—An act prescribing a system of promulgating the laws and an adequate method of diffusing a knowledge of same among the people. Introduced by Delegate Pobre on November 1, 1907. Referred to the committees on the revision of laws and on rules.

Bill No. 14.—An act repealing that part of Act Numbered Sixteen hundred and forty-six, which establishes a new boundary line between the subprovince of Amburayan and the province of La Union, and providing that the boundary line between them during Spanish government and at the time of the establishment of American domination shall serve as such. Introduced by Delegate Asprer on November 1, 1907. Referred to the executive secretary for administrative action.

Bill No. 15.—An act concerning grants and utilization of public waters for agricultural irrigation. Introduced by Delegates Lerma and Fenoy on November 1, 1907. Referred to the committee on agriculture.

- Bill No. 16.—An act transferring to courts of first instance all judicial powers vested in provincial boards and the Philippine Commission for the removal and disqualification to hold office of municipal officials and amending that part or parts of section seven of Act Numbered Eighty-three relative thereto in the manner herein provided. Introduced by Delegate Alvarez on November 2, 1907. Referred to the committees on provincial and municipal governments and on judiciary.
- Bill No. 17.—An act repealing Act Numbered Two hundred and thirty granting free entry to agricultural machinery and implements imported into the Philippine Islands. Introduced by Delegate Arejola on November 2, 1907. Referred to the committees on agriculture and on relations with the sovereign country.
- Bill No. 18.—An act providing for the acquisition of agricultural machinery and implements for distribution under certain conditions to municipalities and property owners requesting same. Introduced by Delegates Arejola, Chaves, and Rey on November 2, 1907. Referred to the committee on agriculture.
- Bill No. 20.—An act on Chinese Immigration in aid of agriculture, industry, commerce, and the increase of productive population and to increase taxation on the one hand and decrease the cedula tax on the other. Introduced by Delegate Paterno on November 2, 1907. Referred to the committees on industry and commerce and on agriculture.
- Bill No. 21.—An act amending certain sections of Act Numbered Sixteen hundred and twenty-seven and other acts relative to justice of the peace courts. Introduced by Delegates Demeterio and Causing on November 5, 1907. Referred to the committee on judiciary.
- Bill No. 26.—An act suspending the effects of Act Numbered Fifteen hundred and seventy-nine for five years from the first of January, nineteen hundred and eight, until October thirty-first, nineteen hundred and twelve. Introduced by Delegate Montilla on November 8, 1907. Referred to the committee on appropriations.
- Bill No. 27.—An act amending sections fifteen and sixteen of Act Numbered One hundred and ninety, entitled "The code of civil procedure." Introduced by Delegate Pobre on November 8, 1907. Referred to the committee on judiciary.
- Bill No. 28.—An act amending paragraph (a) of section forty-three of Act Eighty-two, entitled "The municipal code," and providing that lands which have not produced actual profit or effective revenue during the year before that in which the collection of taxes is made in accordance with the law, shall be exempt from the payment of the land tax. Introduced by Delegate Alvar on November 8, 1907. Referred to the committee on provincial and municipal governments.
- Bill No. 30.—An act providing for the examination of aspirants to the bar. Introduced by Delegate Borja on November 8, 1907. Referred to the committee on judiciary.
- Bill No. 32.—An act providing for the separation of the municipality of Nueva Caceres, province of Ambos Camarines, from the former municipalities of Camaligan and Canaman, and the reorganization of the latter municipalities with the territory formerly comprised by them prior to their consolidation with the municipality of Nueva Caceres. Introduced by Delegate Rey on November 8, 1907. Referred to the executive secretary for administrative action.
- Bill No. 33.—An act amending section four, paragraph (a) of Act Numbered Eighty-two, as amended by Act Numbered Sixteen hundred and ninety-one. Introduced by Delegate Zandueta on November 11, 1907. Referred to the committee on provincial and municipal governments.
- Bill No. 35.—An act amending Act Numbered Fifteen hundred and fifty-seven and providing that the visita of Cabugao shall again form a part of the municipality of Bató and reorganizing the old municipality of Barás, both of the subprovince of Catanduanes. Introduced by Delegate Imperial on November 11, 1907. Referred to the executive secretary for administrative action.
- Bill No. 37.—An act providing a remedy for certain evils affecting agriculture. Introduced by Delegates Fenoy, Lerma, Adriatico, and Picazo on November 11, 1907.
- 38.—An act amending Act Numbered Fifteen hundred and eighty-two, as "The election law." Introduced by Delegate Jalandoni on November 1907. Referred to the committee on elections.

- Bill No. 39.**—An act providing facilities for persons desiring to remove to the Moro Province and to the islands of Mindoro and Palawan. Introduced by Delegate Clarin on November 12, 1907. Referred to the committee on matters pertaining to Mindanao.
- Bill No. 40.**—An act making temporary provision for the filling of the offices of municipal treasurers during the time that said treasurers shall be on vacation or accrued leave under the provisions of Act Numbered Eighty-two. Introduced by Delegate Borja on November 12, 1907. Referred to the committee on provincial and municipal governments.
- Bill No. 42.**—An act amending several provisions of Act Numbered Fifteen hundred and eighty-two, known as "The election law." Introduced by Delegate Pobre on November 12, 1907. Referred to the committee on elections.
- Bill No. 43.**—An act amending paragraphs one and two of section twelve, paragraph one of section thirteen, two of section twenty-two of Act Numbered Fifteen hundred and eighty-two, entitled "The election law," and section twenty-nine thereof. Introduced by Delegate Galicano on November 12, 1907. Referred to the committee on elections.
- Bill No. 44.**—An act amending section one hundred and fifty of Act Numbered Eleven hundred and ninety-three, entitled the "Internal revenue act," providing that out of the revenues turned into the insular treasury by virtue of the provisions of the internal-revenue act fifteen per centum be assigned for the benefit of provincial governments and twenty-five per centum for the benefit of municipal governments, except the city of Manila, instead of the ten and fifteen per centum now assigned to them. Introduced by Delegate Vera on November 13, 1907. Referred to the committee on appropriations.
- Bill No. 46.**—An act to amend sections one, three, and four of Act Numbered Two hundred and seventy-seven, known as "The libel act." Introduced by Delegate Rovira on November 14, 1907. Referred to the committees on judiciary and on revision of laws.
- Bill No. 47.**—An act amending section thirteen of Act Numbered One hundred and seventy-five, as amended by Act Numbered Six hundred and ten. Introduced by Delegate Zandueta on November 15, 1907. Referred to the committee on provincial and municipal governments.
- Bill No. 48.**—An act condoning delinquents in the province of Ambos Camarines of the payment of the penalties on the land tax for the years nineteen hundred and two, nineteen hundred and three, nineteen hundred and four, and nineteen hundred and five. Introduced by Delegates Alvarez and Rey on November 21, 1907. Referred to the committee on provincial and municipal governments.
- Bill No. 49.**—An act repealing the provisions of Act Numbered Sixteen hundred and twenty-seven, which confer power on justices of the peace to try persons accused of the violation of municipal ordinances and reenacting paragraph (g) of section eighteen of Act Numbered Eighty-two. Introduced by Delegate Pobre on November 21, 1907. Referred to the committee on provincial and municipal governments.
- Bill No. 50.**—An act amending Act Numbered Sixteen hundred and twenty-seven, by excluding from the jurisdiction of justices of the peace the trial of certain violations of municipal ordinances and granting such power to municipal presidents. Introduced by Delegates Javier and Villamor on November 21, 1907. Referred to the committee on provincial and municipal governments.
- Bill No. 51.**—An act providing for the amendment of certain provisions of "The election law." Introduced by Delegates Lukban and Asprer on November 21, 1907. Referred to the committee on elections.
- Bill No. 52.**—An act amending Act Numbered One hundred and ninety, entitled "The code of civil procedure." Introduced by Delegate Lasam on November 21, 1907. Referred to the committee on judiciary.
- Bill No. 53.**—An act providing for the establishment of two telegraph stations in the pueblos of Daet and Tigaon, or Goa, province of Ambos Camarines. Introduced by Delegates Arejola, Alvarez, and Rey on November 21, 1907. Referred to the committee on posts and telegraphs.
- Bill No. 54.**—An act declaring null and void all acquisitions made at public auction (of lands) for nonpayment of taxes where the formalities of the law have not been complied with and where a disproportionate and unjust price has been paid thereat, and for other purposes. Introduced by Delegates Imperial and Arejola on November 21, 1907. Referred to the committee on provincial and municipal governments.

- Bill No. 55.—An act providing for the amendment of section six of Act Numbered Seventeen hundred and nine, and paragraph eight of section twenty-nine of Act Fifteen hundred and eighty-two. Introduced by Delegate Alvar on November 21, 1907. Referred to the committee on elections.
- Bill No. 58.—An act providing for the abolition of the office of district engineer created by section two of Act Numbered Fourteen hundred and one; the repeal of sections two, three, four, six, seven, eight, nine, ten, eleven, twelve, thirteen, and fourteen of said act; the determination of the form and manner in which provincial boards shall in future exercise the powers and duties heretofore assigned to district engineers; the change of the name of the consulting engineer to the Commission; authority to provincial boards to have general supervision over the construction, maintenance, and repair of provincial public works; the amendment of section five of Act Numbered Fourteen hundred and one, and for other purposes. Introduced by Delegate Rovira on November 23, 1907. Referred to committees on public works and on provincial and municipal governments.
- Bill No. 61.—An act providing for the abolition of the death penalty. Introduced by Delegate Jayme on November 30, 1907. Referred to committee on revision of laws.
- Bill No. 64.—An act providing for the amendment of Act Numbered Fifteen hundred and eighty-two, known as "The election law," as amended by Acts Numbered Seventeen hundred and nine, Seventeen hundred and twenty-six, and Seventeen hundred and sixty-eight, disqualifying persons finally convicted of violations of acts or ordinances prohibiting gambling, cock-fighting, or cockpits from holding provincial or municipal offices. Introduced by Delegate Mobo on December 4, 1907. Referred to committee on elections.
- Bill No. 65.—An act providing for the repeal of Act Numbered Fourteen hundred and eighty-seven creating district health officers, and reenacting Act Numbered Three hundred and seven, entitled "An act providing for the establishment of provincial boards of health and fixing their powers and duties;" the amendment of paragraph (c) of section four of Act Numbered Three hundred and seven, and for other purposes. Introduced by Delegate Rovira on December 4, 1907. Referred to the committee on health.
- Bill No. 68.—An act providing for the amendment of section five hundred and twenty-six of Act Numbered One hundred and ninety, entitled "The code of civil procedure," as amended by Act Numbered Six hundred and eighty-four, empowering justices of the peace and auxiliary justices of the municipalities where the court of first instance sits in each province of the Philippine Islands to issue writs of habeas corpus in certain cases herein determined. Introduced by Delegate Alvarez on December 4, 1907. Referred to the committee on revision of laws.
- Bill No. 69.—An act providing for the establishment of a school of industrial engineering in the city of Manila. Introduced by Delegate Hernandez on December 10, 1907. Referred to the committee on public instruction.
- Bill No. 70.—An act prohibiting appellate courts from increasing the penalty imposed by the trial court in criminal matters. Introduced by Delegate Sotto on December 10, 1907. Referred to the committee on revision of laws.
- Bill No. 71.—An act authorizing municipalities to make contracts with municipal teachers in barrios or municipalities distant from the place where the principal is found, to teach English for one year in such barrios or municipalities, as the case may be, and to extend their studies on the following year in some normal college at the provincial capital. Introduced by Delegate Causing on December 11, 1907. Referred to the committee on public instruction.
- Bill No. 72.—An act providing that the opinion of the minority of a court presided over by several judges which is favorable to the accused shall prevail over the majority in criminal cases appealed. Introduced by Delegate Jayme on December 11, 1907. Referred to the committee on the revision of laws.
- Bill No. 73.—An act directing the drafting in Spanish of all laws hereafter enacted and approved by the Philippine Legislature, and for other purposes. Introduced by Delegates L. Guerrero and Villamor on December 11, 1907. Referred to the committee on printing.
1. An act providing for the amendment of section three hundred and of the civil code in force in the Philippine Islands. Introduced by : Javier on December 11, 1907. Referred to the committee on sion of laws.

- Bill No. 75. An act limiting the rate of interest which may be charged in the Philippine Islands. Introduced by Delegate C. Rodriguez on December 11, 1907. Referred to the committees on judiciary and on revision of laws.
- Bill No. 76.—An act making the writ of habeas corpus a more efficient remedy. Introduced by Delegate C. Rodriguez on December 12, 1907. Referred to committees on revision of laws and on judiciary.
- Bill No. 78.—An act providing for the creation of a nautical school for masters and mates of the Philippine merchant marine. Introduced by Delegate Paterno on December 14, 1907. Referred to the committee on navigation.
- Bill No. 80.—An act providing for the reorganization of provincial boards, and for other purposes. Introduced by Delegate Oben on December 17, 1907. Referred to the committee on provincial and municipal governments.
- Bill No. 81.—An act defining the powers of assessors in courts of first instance and designating the manner of applying the penalty of the supreme court when there are dissenting opinions on the part of some justices. Introduced by Delegate Clarin on December 17, 1907. Referred to the committee on judiciary.
- Bill No. 83.—An act providing for the confinement of certain prisoners in provincial jails to serve their sentences. Introduced by Delegate Javier on December 23, 1907. Referred to the committees on the revision of laws and on municipal and provincial governments.
- Bill No. 84.—An act authorizing an expenditure of one thousand dollars annually for the purpose of celebrating the anniversary of the death of Dr. José Protosio Rizal on December thirtieth of each year. Introduced by Delegate Paterno on December 24, 1907. Referred to the committees on appropriations and Rizal celebration.
- Bill No. 85.—An act defining divorce, determining the cases in which a civil action may be brought, and conferring original jurisdiction on courts of first instance to try divorce cases and render decrees of divorce. Introduced by Delegates Ferrer and Eleuterio on December 26, 1907. Referred to the committee on the revision of laws.
- Bill No. 86.—An act appropriating the sum of five hundred thousand pesos for the construction of bridges in the pueblos of the provinces of the Philippine Islands. Introduced by Delegate Corrales on December 27, 1907. Referred to the committee on public works.
- Bill No. 89.—An act amending section five of the act of Congress of July first, nineteen hundred and two, entitled "An act temporarily to provide for the administration of affairs of civil government in the Philippine Islands, and for other purposes." Introduced by Delegate Oben on October 31, 1907. Referred to committees on judiciary and on relations with the sovereign country.
- Bill No. 90.—An act extending the time granted by Act Numbered Seventeen hundred and thirteen of the Philippine Commission to provincial boards for remitting by resolution the collection of the land tax and recommending it at the same time for the purpose of granting to municipal councils power to remit for the same reasons as those expressed in said act. Introduced by Delegate Jayme on January 3, 1908. Referred to the committee on appropriations.
- Bill No. 91.—An act amending paragraphs nine and eleven of section sixty-eight of the Act Numbered Eleven hundred and eighty-nine, known as "The internal revenue law." Introduced by Delegate Galicano on January 3, 1908. Referred to the committee on appropriations.
- Bill No. 93.—An act changing the name of the Philippine School of Arts and Trades to that of Rizal Polytechnic Institute, enlarging its sphere of action, and appropriating seventy-five thousand pesos for new buildings, repairs, and alterations of existing buildings, purchase of equipment, and for other purposes. Introduced by Superintendent Craig on January 7, 1908. Referred to committees on public instruction and on appropriations.
- Bill No. 94.—An act obliging teachers to teach civil virtues to their pupils. Introduced by Delegate Clarin on January 7, 1908. Referred to committee on public instruction.
- Bill No. 95.—An act providing for the amendment of section two of Act Numbered Six hundred and twenty-four of the Philippine Commission, designating who shall fill the office of mining recorder, and adding a new section to said act providing for the manner in which patents to mineral claims shall be issued. Introduced by Delegate Chavez on January 7, 1908. Referred to the committee on public lands.

- Bill No. 96.—An act prohibiting under any circumstances the exhibition of the so-called infidel tribes in or out of the Philippine Islands. Introduced by Delegate F. Guerrero on January 8, 1908. Referred to a select committee.
- Bill No. 97.—An act amending Act Numbered Eighty-three in so far as amended by Act Numbered Sixteen hundred and fifty-two, empowering the provincial boards to use for other purposes the amount of increase in the cedula tax. Introduced by Delegate Mercado on January 8, 1908. Referred to committees on provincial and municipal governments and on appropriations.
- Bill No. 98.—An act amending the proposed law on Chinese immigration. Introduced by Delegate Paterno on January 11, 1908. Referred to the committee on industry and commerce.
- Bill No. 101.—An act amending subsection (*k*) of section eighteen and subsection (*a*) of section twenty-two, as amended by Acts Numbered Three hundred and forty-six and One thousand and ninety-nine, subsection (*a*) of section thirty-one and section forty-one of the municipal code as amended by Act Numbered Six hundred and seventy-six. Introduced by Delegate Galicano on January 13, 1908. Referred to the committee on provincial and municipal governments.
- Bill No. 102.—An act amending section five and the last two paragraphs of section fourteen of Act Numbered Sixteen hundred and twenty-seven of the Philippine Commission, series of nineteen hundred and seven. Introduced by Delegate Rovira on January 17, 1908. Referred to the committee on judiciary.
- Bill No. 103.—An act amending the C. Corrales bill (A. B. No. 148). Introduced by Delegate Vera on January 17, 1908. Referred to the committee on public instruction.
- Bill No. 107.—An act regulating the practice of the professions of civil engineer, architect, and surveyor in the Philippine Islands. Introduced by Delegate F. Guerrero on January 16, 1908. Referred to a select committee.
- Bill No. 110.—An act amending section twenty-five of Act Numbered Fifteen hundred and nineteen of the Philippine Commission. Introduced by Delegate Daza on January 24, 1908. Referred to the committee on industry and commerce.
- Bill No. 111.—An act amending subsection (*f*), section forty, of the Municipal Code as found in the commonly called municipal code and provincial government act, revised. Introduced by Delegates Fenoy and Lerma on January 24, 1908. Referred to select committee on Rizal Day.
- Bill No. 113.—An act providing for the amendment of section two of Act Numbered Sixteen hundred and twenty-four of the Philippine Commission. Introduced by Delegate Vera on January 16, 1908. Referred to committee on public lands.
- Bill No. 116.—An act providing that judges of first instance of judicial districts may not discharge their judicial functions in the same judicial district for a period longer than three consecutive years. Introduced by Delegate Rovira on January 27, 1908. Referred to the committee on judiciary.
- Bill No. 118.—An act amending Acts Numbered Eighty-two and Fifteen hundred and eighty-two, creating the office of subpresident for each municipality now a barrio by virtue of the consolidation of several municipalities into one single municipality, and for those which have always been barrios but which, on account of their prosperous condition, deserved to be ruled by sub-presidents, organizing the office of subpresident and assigning part of the revenues of said barrios to their support and improvement. Introduced by Delegate M. Corrales on January 27, 1908. Referred to committee on provincial and municipal governments.
- Bill No. 119.—An act remitting part of the land tax in the province of Tarlac, Philippine Islands, for the year nineteen hundred and eight; appropriating funds in the insular treasury to reimburse the province of Tarlac and its municipalities for the sums lost by this remission; and repealing the provisions of section four of Act Numbered Fourteen hundred and sixty-nine. Introduced by Delegate Pineda on January 27, 1908. Referred to committees on provincial and municipal governments and on appropriations.
- Bill No. 122.—An act appropriating out of insular funds for one time only the sum of twenty-five thousand pesos to found the Philippine Conservatory of Music, and an annual subsidy of twenty thousand pesos for the development and maintenance of said conservatory. Introduced by Delegate

Paterno on February 1, 1908. Referred to committees on public instruction and on appropriations.

- Bill No. 123.—An act amending Act Numbered One hundred and thirty-six, as amended, providing for the salary of seventeen hundred pesos a year for the justice of the peace of Cavite, province of Cavite, and giving said justice of the peace an employee, who shall be paid by the municipality of Cavite. Introduced by Delegate Palma on February 1, 1908. Referred to committees on provincial and municipal governments, and on appropriations.
- Bill No. 124.—An act appropriating from treasury funds the sum of two thousand pesos as a loan to the municipality of Baloan, province of La Union, for the construction of a dam for the irrigation of the cultivated lands of said municipality. Introduced by Delegate Asprer on February 1, 1908. Referred to committees on public works and on appropriations.
- Bill No. 128.—An act amending section one of Act Numbered Five hundred and seventeen of the Philippine Commission, and repealing sections eight and nine thereof. Introduced by Delegate M. Corrales on February 4, 1908. Referred to committees on provincial and municipal governments and on public lands.
- Bill No. 129.—An act empowering provincial boards within their respective jurisdictions to grant vacation and accrued leave to municipal treasurers under the limitations and conditions provided by the rules which shall be adopted by the civil service board. Introduced by Delegate Mobo on February 4, 1908. Referred to committees on provincial and municipal governments, and on appropriations, and on civil service.
- Bill No. 130.—An act remitting the land tax for the year 1908 in the municipalities that have suffered considerable loss in the last crop of rice. Introduced by Delegates Asprer and Pobre on February 5, 1908. Referred to the committees on provincial and municipal governments and on appropriations.
- Bill No. 131.—An act leaving in force the present customs duties on rice imported into the Philippine Islands. Introduced by Delegate Hernandez on February 5, 1908. Referred to the committees on agriculture, on relations with the sovereign government, on appropriations, and on industry and commerce.
- Bill No. 132.—An act amending Act Numbered Seventeen hundred and thirty-one substituting the name of the municipality of Albay for that of Legaspi. Introduced by Delegate Imperial on February 13, 1908.
- Bill No. 133.—An act amending several sections of Act Numbered Sixteen hundred and twenty-seven, for the purpose of unifying the system of justice of the peace courts, of explaining and codifying existing legislation relative thereto, and of increasing their efficiency. Introduced by Delegate Lerma on February 13, 1908. Referred to the committee on judiciary.
- Bill No. 137.—An act amending and making additions to Act Numbered Fifteen hundred and eighty-two, entitled the "Election law." Introduced by Delegate Asprer on February 18, 1908. Referred to the committee on elections.
- Bill No. 138.—An act amending chapter two of Act Numbered One hundred and ninety of the Philippine Commission. Introduced by Delegate Vera on February 20, 1908. Referred to the committees on judiciary and on revision of laws.
- Bill No. 139.—An act amending Act Numbered Eighteen hundred and five of the Philippine Legislature, providing that the sum of ten thousand pesos be appropriated from insular funds, and five thousand pesos from funds of the city of Manila, for the purpose of aiding the carnival to be held in the city of Manila in the year 1908. Introduced by Delegates Rodriguez et al. on February 20, 1908. Referred to the committee on appropriations.
- Bill No. 140.—An act amending section one hundred and twenty-one, chapter twelve, of Act Numbered Eleven hundred and eighty-nine, entitled "The internal revenue law of 1904," as amended, and section one hundred and forty-five of Act Numbered Eighty-three, as amended. Introduced by Delegate Ruiz on February 21, 1908. Referred to the committees on provincial and municipal governments and on appropriations.
- Bill No. 142.—An act amending paragraph two of section four of Act Numbered Fifteen hundred and eighty-two, entitled "The election law," as amended by Act Numbered Seventeen hundred and nine. Introduced by Delegates

- Fenoy and Mapa on February 21, 1908. Referred to the committee on elections.
- Bill No. 143.—An act limiting gambling on cockfights in the Philippine Islands to certain special dates, and providing penalties for the violation of the provisions of this act. Introduced by Delegate Altavas on February 25, 1908. Referred to a select committee.
- Bill No. 144.—An act repealing that part of Act Numbered Sixteen hundred and ten which requires bonds or securities from presidents and councillors for the return to the insular government of fire-arms furnished to their respective municipalities. Introduced by Delegate Velarde on February 25, 1908. Referred to the committees on provincial and municipal governments and on constabulary.
- Bill No. 145.—An act amending Act Numbered Eight hundred and fifty-four, entitled "An act appropriating the sum of seventy-two thousand dollars United States currency for the education of Filipino students in the United States," so that graduates from the public high schools of the archipelago shall preferably be appointed government students in the United States. Introduced by Delegate Palma on February 25, 1908. Referred to the committee on public instruction.
- Bill No. 146.—An act making provisions with respect to assessors in justice of the peace courts. Introduced by Delegate Lerma on February 25, 1908. Referred to the committee on judiciary.
- Bill No. 147.—An act authorizing the governor-general to dispose of the sum of two hundred thousand pesos out of the funds of the insular treasury not otherwise appropriated for the purpose of purchasing rice and selling it to the provinces where there is famine. Introduced by Delegate Jalandoni on February 26, 1908.
- Bill No. 149.—An act making additions to Act Numbered Fourteen hundred and seven of the Philippine Commission as amended by the Philippine Legislature. Introduced by Delegate Asprer on February 27, 1908. Referred to the committees on public lands, on forests and mines, by request of the author.
- Bill No. 150.—An act providing for the development of agriculture. Introduced by Delegate Patero on February 27, 1908. Referred to the committee on agriculture.
- Bill No. 152.—An act repealing Act Numbered Five hundred and eighteen, known as "The Banderismo act." Introduced by Delegate Gabaldon on February 28, 1908. Referred to the committee on the revision of laws.
- Bill No. 153.—An act amending the "Provincial government act" by making new provisions regarding the investigation of charges brought against the municipal officials and providing for the correction of said officials. Introduced by Delegate Oben on March 4, 1908. Referred to the committee on provincial and municipal governments.
- Bill No. 154.—An act amending Act Numbered Eighty-three, as amended by Act Numbered Sixteen hundred and fifty-two, by transferring to the convention of presidents the power to increase the amount of the cedula tax, and amending the internal revenue act. Introduced by Delegate C. Corrales on March 6, 1908. Referred to the committee on appropriations.
- Bill No. 155.—An act making additions to the text of section eleven of general orders numbered sixty-eight, entitled "The marriage law," as amended by general orders numbered seventy. Introduced by Delegate Lukban on March 6, 1908. Referred to the committee on appropriations.
- Bill No. 156.—An act amending section five of Act Numbered Sixteen hundred and twenty-seven, as amended. Introduced by Delegate Oben on March 6, 1908. Referred to the committee on judiciary.
- Bill No. 157.—An act amending Act Numbered Sixteen hundred and ninety-eight, by making the provisions of the said act extensive to the officers and employees of the Philippine Assembly. Introduced by Delegate Mercado on March 6, 1908. Referred to the committee on audits and the committee on civil service.
- Bill No. 158.—An act defining the powers and duties of presidents and municipal boards of health or presidents of municipal health districts and district health officers in issuing certificates of efficiency to rural midwives. Introduced by Delegate Loksia on March 7, 1908. Referred to the committee on health.
- Bill No. 159.—An act providing for various improvements in Philippine primary instruction. Introduced by Delegate Lasam on March 7, 1908. Referred to the committee on public instruction.

- Bill No. 160.—An act providing for the amendment of assembly bill No. 153. Introduced by Delegate Oben on March 7, 1908. Referred to the committees on elections and on provincial and municipal governments.
- Bill No. 161.—An act amending Act Numbered Sixteen hundred and fifty-two, entitled, "An act to amend Act Numbered Eighty-three, by enabling provincial boards to increase the amount of the cedula tax and apply the increased revenue to the construction, repair, and maintenance of roads and bridges, and amending sections one hundred and twenty-one and one hundred and forty-nine of Act Numbered Eleven hundred and eighty-nine to correspond," by assigning the third part of one-half of the amount of cedulas collected in this manner in each particular municipality for the maintenance and repair of streets, roads, and bridges pertaining thereto. Introduced by Delegates Rey and Lukban on March 9, 1908. Referred to the committee on provincial and municipal governments.
- Bill No. 162.—An act amending Act Numbered Fifteen hundred and eighty-two, sections twenty-two and twenty-nine, by authorizing electors unable to write out their ballots to avail themselves of any duly qualified elector, and excepting members of school boards from the resignation of their office for the purpose of presenting their candidacy. Introduced by Delegates Rey and Jimenez on March 10, 1908. Referred to the committee on elections.
- Bill No. 163.—An act providing for the celebration of Arbor Day by the children in the public schools of the Philippine Islands. Introduced by Delegate Palma, on March 10, 1908.
- Bill No. 164.—An act limiting the period during which any position in the classified civil service may be occupied provisionally by any officer or employee. Introduced by Delegate Altavas on March 11, 1908.
- Bill No. 165.—An act amending section eighty-seven of Act Numbered One hundred and thirty-six, entitled "An act to organize courts of justice in the Philippine Islands," by requiring notaries public to forward monthly to the courts of first instance a detailed statement of the public instruments certified by them. Introduced by Delegate Hernandez on March 11, 1908. Referred to committee on judiciary.
- Bill No. 166.—An act making additional provisions to Act Numbered Twelve hundred and fifty-eight relative to the exercise of the right of forcible expropriation in cases where the exercise of such right is called for by a railroad company for the purpose of constructing, extending or operating its line. Introduced by Delegate Jalandou on March 12, 1908. Referred to the committee on railroads and franchises.
- Bill No. 167.—An act amending section eighty-six of Act Numbered One hundred and thirty-six of the Philippine Commission. Introduced by Delegates Lerma and Fenoy on March 14, 1908. Referred to the committee on revision of laws.
- Bill No. 168.—An act providing that the appointment of judges of courts of first instance in the Philippine Islands, their definitive transfer from one district to another in said islands and their temporary or final removal from office shall be made and directed in each case by the governor-general with the consent and approval of the Philippine Legislature, and amending section forty-eight of Act Numbered One hundred and thirty-six and Act Numbered Three hundred and ninety-six to correspond, under certain conditions. Introduced by Delegate Alvarez on March 14, 1908. Referred to the committee on the revision of laws.
- Bill No. 169.—An act adding at the end of section one of Act Numbered Seven hundred and thirteen of the Philippine Commission, passed September eighteenth, nineteen hundred and seven, a provision remitting the land tax in those provinces where the additional cedula tax has been put into effect. Introduced by Delegates Jayme, Mapa, and Montilla on March 14, 1908. Referred to the committee on appropriations.
- Bill No. 170.—An act declaring all temples and sacred places in the Philippine Islands the property of the American State; that they are for that reason inalienable and nonprescriptible and ought therefore to revert to the State together with all property of like nature held by any entity or juridic person. Introduced by Delegate Paterno on March 17, 1908. Referred to the committee on revision of laws.
- Bill No. 171.—An act providing that traveling expenses of poor witnesses called by the government to testify in courts of justice shall be paid by the treasury of the Philippine Islands, and fixing a per diem by the way of food for said poor witnesses. Introduced by Delegate Rovira on March 18, 1908.

- Bill No. 172.—An act providing for the investment of two hundred and fifty thousand pesos for the purchase of machine plows for the provinces of the Philippine Archipelago. Introduced by Delegate Montilla on March 18, 1908. Referred to the committees on agriculture and on appropriations.
- Bill No. 173.—An act amending Act Numbered Thirty-six in the sense of prescribing qualifications for the appointment of notaries public. Introduced by Delegates Asprer and Zandueta on March 18, 1908. Referred to the committee on judiciary.
- Bill No. 174.—An act making an annual grant of three prizes for works on the Philippines deserving of same and creating a jury to examine and to determine the importance of said works. Introduced by Delegate Paterno on March 18, 1908. Referred to the committee on public instruction.
- Bill No. 177.—An act appropriating two hundred thousand pesos for the construction of a building for the use of the government in the municipality of Iloilo. Introduced by Delegates Jalandoni and Avanceña on March 20, 1908. Referred to the committee on appropriations.
- Bill No. 178.—An act empowering the provincial board of Ilocos Norte to donate the sum of ten thousand pesos to the municipalities of the said province for the purpose of driving artesian wells. Introduced by Delegate Pobre on March 20, 1908. Referred to the committee on provincial and municipal governments.
- Bill No. 179.—An act making an annual appropriation of insular funds not otherwise appropriated of the sum of two hundred thousand pesos for the establishment of an irrigation system in all of the pueblos of the Philippine Islands. Introduced by Delegates Lerma, Catigbac, Fenoy, and Asprer on March 20, 1908. Referred to the committees on agriculture and on appropriations.
- Bill No. 180.—An act repealing Act Numbered One thousand and sixty-six of the Philippine Commission and reenacting all of the provisions of Act Numbered Seven hundred and eighty of the same Commission, which have been repealed by the said Act Numbered One thousand and sixty-six. Introduced by Delegate Sotto on March 24, 1908. Referred to the committee on industry and commerce.
- Bill No. 181.—An act empowering the councillors of each organized municipality under the provisions of Act Numbered Eighty-two, entitled "The municipal code," to receive a per diem for each day's session attended by them, whether regular or special, whenever the funds of the municipality permit. Introduced by Delegate Alvar on March 25, 1908. Referred to the committee on provincial and municipal governments.
- Bill No. 182.—An act amending certain sections of Act Numbered One hundred and thirty-six, as amended by Act Numbered Sixteen hundred and twenty-seven, providing that in capitals, or municipalities of provinces not inhabited by Moro or non-Christian tribes, where the office of a court of first instance is located, including the Provinces of Cebu and Iloilo and excluding the city of Manila, appointments for auxiliary justices of the peace shall be given to persons who, aside from the other qualifications required by section twenty-nine of the said Act Numbered Sixteen hundred and twenty-seven, shall be qualified practicing attorneys at law, authorized by the supreme court of these islands, for certain purposes hereinafter defined. Introduced by Delegate Alvarez on March 25, 1908. Referred to the committee on judiciary.
- Bill No. 183.—An act regulating the entrance of Friars in the territory of the Philippine Islands and their stay in said islands; making provisions the observance of which shall be required of the religious corporations now established or which in future may be established in the Philippine Islands; creating a bureau to be known as bureau of registration of religious corporations, under the Department of the Interior, amending section sixty-two of Act Numbered Eighty-two, entitled "The municipal code;" also amending section forty-eight of Act Numbered One hundred and eighty-three known as "Charter of the city of Manila," and for other purposes. Introduced by Delegate Rovira on March 25, 1908. Referred to a select committee and to the committees on provincial and municipal governments and on the city of Manila.
- Bill No. 184.—An act authorizing the provincial boards organized in accordance with the provincial government act to remit the collections of the land tax in their respective provinces. Introduced by Delegate Montilla on March

- 26, 1908. Referred to the committee on provincial and municipal governments.
- Bill No. 185.—An act amending section three of Act Numbered Three hundred and eight in the sense of empowering district health officers to appoint the president of the municipal board of health in each municipality upon recommendation of the municipal council, and in other cases. Introduced by Delegate Zanduetta on March 28, 1908. Referred to the committee on health.
- Bill No. 186.—An act postponing the imposition of penalties on delinquents in the payment of the land tax in the year nineteen hundred and eight. Introduced by Delegate Imperial on March 28, 1908. Referred to the committee on appropriations.
- Bill No. 187.—An act postponing the imposition of penalties on delinquents in the payment of the cedula tax during the year nineteen hundred and eight. Introduced by Delegate Imperial on March 28, 1908. Referred to the committee on appropriations.
- Bill No. 189.—An act remitting debts for land tax corresponding to the years nineteen hundred and six and prior thereto under certain conditions. Introduced by Delegate Alquino on March 28, 1908. Referred to the committee on appropriations.
- Bill No. 190.—An act amending section twenty-eight of Act Numbered Seventeen hundred and eighty of the Philippine Commission from line seven of the said section, the effect of this amendment being that the possessor of a firearm who shall lose same by force majeure, without culpability or negligence on his part, shall be relieved of all responsibility on his bond. Introduced by Delegate Jayme on March 31, 1908. Referred to the committee on the constabulary.
- Bill No. 193.—An act amending Act Numbered Twelve hundred and thirty-three by requiring the third member of the provincial board to take part in the count of the cash in the hands of the provincial treasurers. Introduced by Delegate Javier on April 1, 1908. Referred to the committee on provincial and municipal governments.
- Bill No. 194.—An act providing for the organization of municipal health districts in the municipalities of the Philippine Islands and likewise providing the manner of providing funds for the support of the municipal sanitary service, fixing their powers and duties. Introduced by Delegate Locsan on April 1, 1908. Referred to the committee on health.
- Bill No. 200.—An act appropriating ₱5,000 for clearing the channels of the Panga and Balsik rivers in the Province of Bataan. Introduced by Delegate Lerma on April 28, 1908. Referred to the committees on public works and on appropriations.
- Bill No. 203.—An act repealing Act Numbered Sixteen hundred and ninety-six of the Philippine Commission, entitled "An act to prohibit the display of flags, banners, emblems, or devices used in the Philippine Islands for the purpose of rebellion or insurrection against the authority of the United States, and the display of Katipunan flags, banners, emblems, or devices, and for other purposes," in its entirety, and putting an end to all prosecutions brought under the provisions of said act. Introduced by Delegate Sotto on April 29, 1908. Referred to a select committee.
- Bill No. 206.—An act amending the Sotto bill repealing Act Numbered Sixteen hundred and ninety-six of the Commission, entitled "An act to prohibit the display of flags, banners, emblems, or devices used in the Philippine Islands for the purpose of rebellion or insurrection against the authority of the United States and the display of Katipunan flags, banners, emblems, or devices, and for other purposes." Introduced by Delegate Fenoy on May 2, 1908. Referred to the select committee on the law of waters.
- Bill No. 207.—An act appropriating the sum of ₱1,500 from the so-called public calamity fund for the relief of the sufferers from fire at Pozorrublo, Pangasinan, which took place on April 15, 1908. Introduced by Delegate Fenoy on May 2, 1908. Referred to the committee on calamities.
- Bill No. 208.—An act amending and adding to section two of Act Numbered Three hundred and two of the Philippine Commission. Introduced by Delegate Sotto on May 4, 1908. Referred to the committee on the judiciary.
- Bill No. 209.—An act extending the qualifications of electors as determined by the municipal code and by the election law of the Philippines. Introduced by Delegate Alvear on May 4, 1908. Referred to the committee on elections.

- Bill No. 215.—An act providing that vacancies which may occur in offices of the insular, provincial, and municipal governments shall be filled by Filipinos. Introduced by Delegate Paterno on May 6, 1908. Referred to a select committee.
- Bill No. 216.—An act to insure complete religious liberty in the Philippine Islands as declared and guaranteed by the act of Congress of July first, nineteen hundred and two. Introduced by Delegate Galicano on May 5, 1908. Referred to the committee on revision of laws.
- Bill No. 217.—An act prescribing the powers and duties of governors and provincial boards and the procedure which they shall follow in cases of maladministration on the part of municipal officials. Introduced by Delegate Asprer on May 5, 1908. Referred to the committee on provincial and municipal governments.
- Bill No. 218.—An act amending sections eight, twelve, thirteen, nineteen, and twenty-two of Act Numbered Fifteen hundred and eighty-two, known as "The election law." Introduced by Delegate Javier on May 6, 1908. Referred to the committee on elections.
- Bill No. 219.—An act appropriating ₱100,000 from insular funds for the acquisition of complete steam plows, manufactured by John Fowler & Co. or by other reputable manufacturers, as an experiment to remedy the enormous decrease in the production of sugar, rice, and to assist planters who have lost their cattle by epizootics. Introduced by Delegate Jayme on May 6, 1908. Referred to the committee on agriculture.
- Bill No. 220.—An act amending sections 7, 8, and 15 of Act Numbered Seventeen hundred and ninety-two, known as the "Accounting act." Introduced by Delegate Demeterio on May 7, 1908. Referred to the committee on appropriations.
- Bill No. 221.—An act for the purpose of aiding capital which may be invested in the manufacture of a material to replace the present nipa roofing, cogon, and other generators of frequent fires in the Philippines. Introduced by Delegate Zandueta on May 7, 1908. Referred to the committee on appropriations.
- Bill No. 222.—An act amending section 11 of Act Numbered Eleven hundred and twenty as regards the period for the payment of the sale price of friar lands and the rate of interest on deferred payments. Introduced by Delegate Fenoy on May 7, 1908. Referred to the committee on friar lands.
- Bill No. 223.—An act amending section five of Act Numbered Fifteen hundred and forty-five. Introduced by Delegate Asprer on May 8, 1908. Referred to the committee on provincial and municipal governments.
- Bill No. 224.—An act providing for the creation of a corps of provincial surveyors with its corresponding computers and draftsmen, to prepare and understand surveys of land in the Provinces. Introduced by Delegate Avancena on May 8, 1908. Referred to the committee on public lands.
- Bill No. 225.—An act establishing the Manila police fund and providing for its maintenance. Introduced by Delegate F. Guerrero on May 8, 1908. Referred to the committee on the city of Manila.
- Bill No. 226.—An act extending the right of suffrage in the Philippine Islands to women under conditions. Introduced by Delegate Sotto on May 8, 1908. Referred to the committee on elections.
- Bill No. 228.—An act amending Act Numbered Eighteen hundred and one, entitled "An act providing for an appropriation of one million pesos for the construction of barrio schools, under certain conditions." Introduced by Delegate Fenoy on May 11, 1908. Referred to the committee on public instruction.
- Bill No. 229.—An act providing that the funds of the insular government not needed for peremptory and urgent purposes shall be deposited in the Banco-Español-Filipino for the protection of commerce and agriculture. Introduced by Delegate Vera on May 12, 1908. Referred to the committees on appropriations, on agriculture, and on industry, commerce, and labor.
- Bill No. 231.—An act amending the civil service act as regards examinations and the classification of salaries. Introduced by Delegate Paterno on May 15, 1908. Referred to the committee on civil service.
- Bill No. 242.—Based on bill No. 24 relative to the period for the granting of free patents for public agricultural lands. Introduced by the committee on public lands on June 5, 1908. Filed.
- Joint Resolution No. 9.—Petitioning the United States Congress for the separation of the departments of the present system of government of the Philip-

pine Islands. Introduced by Delegate Clarin on November 8, 1908. Referred to the committee on relations with the sovereign government on November 8, 1908.

Joint Resolution No. 10.—Providing that the United States Congress be petitioned that the speaker of the Philippine assembly be at the same time vice-governor of the Philippine Islands. Introduced by Delegate Clarin on January 3, 1908. Referred to the committee on relations with the sovereign government on January 7, 1908.

Joint Resolution No. 11.—Providing that the United States Congress be petitioned to authorize the election by popular suffrage of the vice-governor, the renewal of the members of the Commission every four years, and the separation of the executive from the legislative department. Introduced by Delegate Avanceña on January 8, 1908. Referred to the committee on relations with the sovereign government on January 8, 1908.

Joint Resolution No. 12.—Petitioning the United States Congress that the Philippine Assembly have jurisdiction throughout all parts of the Philippine Islands inhabited by non-Christian tribes. Introduced by Delegates Mina and Asprer on November 11, 1907. Referred to the committee on relations with the sovereign government on November 11, 1907.

Joint Resolution No. 13.—Petitioning that the designation of resident commissioners to the United States be made in accordance with the practice in the United States. Introduced by Delegate Arejola on February 18, 1908. Referred to the committee on relations with the sovereign government on February 18, 1908.

Joint Resolution No. 14.—To secure from the United States Congress power over the customs tariff of the Philippine Islands. Introduced by Delegate Mercado on January 30, 1908. Referred to the committee on relations with the sovereign government on January 30, 1908.

Joint Resolution No. 17.—Petitioning the United States Congress to empower the Philippine Legislature to enact a naturalization law, or to request prompt action on Senate bill numbered five thousand seven hundred and seventy-six. Introduced by Delegate C. Rodriguez on February 14, 1908. Referred to the committee on relations with the sovereign government on February 17, 1908.

Joint Resolution No. 19.—Petitioning the United States Congress for an appropriation of one million dollars gold to be distributed among Filipino sufferers from the Philippine revolution. Introduced by Delegate Clarin on February 17, 1908. Referred to the committee on relations with the sovereign government on February 18, 1908.

Joint Resolution No. 20.—Providing for the lengthening of the annual sessions of the Philippine Legislature, embracing likewise the reduction of per diems of Delegates to the Philippine Assembly. Introduced by Delegate Altavas on March 7, 1908. Referred to the committees on relations with the sovereign government and on appropriations on March 11, 1908.

Joint Resolution No. 21.—Suggesting to the United States Congress a definition of Philippine citizenship, not only as regards natives of the Philippine Islands, but also descendants of Spaniards and Americans. Introduced by Delegate Paterno on March 18, 1908. Referred to the committee on relations with the sovereign government on March 25, 1908.

Joint Resolution No. 23.—Petitioning the United States Congress to amend the Philippine bill enacted by said legislative body on July 1, 1902, in the sense of enabling the Philippine Legislature to fix, from now on, the qualifications and conditions which shall be required of voters in elections in the Philippine Islands. Introduced by Delegate Sotto on May 11, 1908. Referred to the committee on relations with the sovereign government on May 14, 1908.

Joint Resolution No. 24.—Relative to the reversion to the government of all public temples, convents, and cemeteries constructed in the Philippines during the Spanish régime. Introduced by Delegate Javier on May 14, 1908. Referred to the committee on the revision of laws on May 18, 1908.

Concurrent Resolution No. 1.—Authorizing the creation of a committee composed of members of both houses to investigate the number of pieces of private lands in the province of Rizal for town sites, and sites for poblaciones and barrios. Introduced by Delegate Lukban on November 8, 1907. Referred to the committee on rules on November 8, 1907.

Concurrent Resolution No. 7.—Providing for the appointment of a codification committee composed of fifteen members, seven of whom shall be designated

by the president of the Commission and eight by the speaker of the Assembly, to codify the laws of a civil, commercial, penal, political, and procedure character. Introduced by Delegate Lerma on March 10, 1908. Referred to the committee on rules on March 10, 1908.

Concurrent Resolution No. 10.—Providing for the appointment of a select committee to compile the provincial act and municipal code and to consider the matter of the next appropriation bill. Introduced by Delegates Lerma, Quezon, and Arejola on March 27, 1908. Referred to the committee on rules.

Concurrent Resolution No. 11.—Authorizing the executive bureau to enter into a contract with "The Far Eastern Review" to distribute one thousand copies of said publication a month for advertising purposes. Introduced by Delegate Fernando Ma. Guerrero on April 2, 1908. Referred to the committee on appropriation and on industry and commerce on April 9, 1908.

RECAPITULATION.

Total number of Commission bills introduced.....	64
Total number of Assembly bills introduced.....	248
Total number of Assembly bills passed by the Commission and now law...	38
Total number of Commission bills passed by the Assembly and now law...	31
Total number of Assembly resolutions adopted by the Commission.....	15
Total number of Commission resolutions adopted by the Assembly.....	7
Total number of Commission bills passed by the Commission under its exclusive legislative jurisdiction and now law.....	6
Total number of Commission bills amended by Assembly and amendments agreed to.....	7
Total number of Assembly bills amended by Commission and amendments agreed to.....	19
Total number of Assembly bills and resolutions received by the Commission which failed to pass that body.....	22
Total number of Commission bills and resolutions received by the Assembly which failed to pass that body.....	10
Total number of Commission bills and resolutions refused passage, postponed, substituted, withdrawn, or laid on table in Commission.....	17
Total number of Assembly bills and resolutions refused passage, postponed, substituted, or withdrawn in Assembly.....	30
Total number of Commission bills and resolutions pending in Assembly at time of last adjournment.....	0
Total number of Assembly bills and resolutions pending in Commission at time of last adjournment.....	1
Total number of Commission bills and resolutions pending in Commission at time of last adjournment.....	2
Total number of Assembly bills and resolutions pending in Assembly at time of last adjournment.....	177

ASSEMBLY BILLS AND ASSEMBLY AMENDMENTS TO COMMISSION BILLS PENDING IN COMMISSION AT END OF EACH SESSION.

INAUGURAL SESSION.

[None.]

First session.

Assembly bills Nos. 23, 77, 106, 126, 134, 176, 195, 196, 197, 198, 201, 212, 236, and 238.

As noted above, there were no bills of either house pending in the other at the time of last adjournment, with the exception of Assembly Joint Resolution No. 22, entitled "Joint resolution requiring the Honorable Benito Legarda and Honorable Pablo Ocampo to report to the Philippine Legislature, with regard to certain declarations that the press has attributed to the said gentlemen," which was referred to a select committee and not reported at time of last adjournment.

Special session.

No Assembly bills or amendments to Commission bills were pending in the Commission at the end of this session, except Assembly bills Nos. 201 and 239, which were postponed until the next regular session.

SUMMARY.

	Bills.
Inaugural session.....	0
First session.....	14
Special session.....	0

COMMISSION BILLS AND COMMISSION AMENDMENTS TO ASSEMBLY BILLS PENDING IN ASSEMBLY AT END OF EACH SESSION.

Inaugural session.

Commission bills Nos. 6, 9, 11, 14, 17, 19, 20, 23, 25, 26, 27, and 31, and Commission amendments to Assembly bills Nos. 1, 88, 115, and 121.

First session.

Commission bills Nos. 33, 40, 41, 42, 45, 48, 49, 53, and 54, and Commission amendments to Assembly bills Nos. 191, 210, and 213.

Special session.

No Commission bills or amendments to Assembly bills were pending in the Assembly at the end of this session, although the following Commission bills were postponed until the next regular session by the Assembly, namely, Nos. 53, 57, 58, and 64.

SUMMARY.

	Bills.
Inaugural session.....	16
First session.....	12
Special session.....	0

Pursuant to agreement between the two Houses in the inaugural session, and to the proclamation of the governor-general calling the special session, bills and resolutions of one House pending in the other at the termination of a session were continued in the next session in the same manner as if no adjournment had taken place. This decision, however, was reached only when it was found that it would be impossible to give proper consideration to pending measures before the close of the session. It will be noted that of the 20 Commission bills and amendments sent to the Assembly during the inaugural session 16 were carried over by the Assembly into the first session, and that of the 19 Commission bills and amendments sent to the Assembly during the first session 12 were carried over by the Assembly into the special session. On the other hand, of the Assembly bills and amendments sent to the Commission during the inaugural session none were carried over by the Commission into the first session, and of the Assembly bills and amendments sent to the Commission during the first session 14 were carried over by the Commission into the special session.

Eight of the Commission bills pending in the Assembly at the close of the inaugural session were sent to the Assembly from ten to twenty days and 4 of them from two to eight days before the close of the session. The amendments were not sent to the Assembly until the last few days of the session. Of the 9 bills pending in the Assembly at the termination of the first session 1 was sent to the Assembly in February, 3 were sent in April, and 5 in May--Nos. 53 and 54 on the last day of the session.

The 4 bills pending at the termination of the special session were postponed by the Assembly until the next regular session because of lack of time for their proper consideration.

All but 1 of the 14 Assembly bills pending in the Commission at the termination of the first session were received during the last days of that session, and it was impracticable for the Commission to attempt to pass them before adjournment.

The 2 bills postponed by the Commission at the end of the special session until the next regular session were No. 201, a bill to prohibit the employment of foreigners as engineers or assistant engineers in vessels of the Philippine Islands, and No. 239, an amendatory bill to regulate the registration, branding, conveyance, and slaughter of large cattle and to provide for the disposition, care, custody, and sale of estrays or large cattle captured or seized by the Philippines constabulary or other peace officers. A bill similar to the first-mentioned Assembly bill (No. 201) was considered by the Commission in 1906 and rejected, and it was considered inadvisable by the Commission to take up the time of the special session with the further consideration of the subject. The other bill (No. 239) was postponed by the Commission owing to the importance of the subject-matter and the length of the bill, the time available for its consideration in the special session being deemed insufficient.

It will be noted also that of the 23 bills passed by both houses in the first session 9 were passed on the last day of the session, and of the 39 bills passed by both houses during the special session 22 were passed during the last seven days of the session. Among the acts passed during the special session will be found nearly all the more important and voluminous acts of the three sessions, the public works appropriation bill, the general appropriation bill for the fiscal year 1909, the bill providing for the establishment of a public library, the bill appropriating ₱750,000 annually for the establishment of irrigation systems, the bill appropriating ₱150,000 for the purchase of land for cattle quarantine stations, the bill creating a government agricultural bank, the bill creating the bureau of labor, the bill modifying the municipal government of Manila, the employers' liability bill, the bill increasing the facilities for the registration of property, and the university bill, all being included in the number. All of these important bills originated in the Assembly and were received by the Commission for consideration during the special session, and some of them not until the last days of the session.

APPROPRIATION ACTS.

Following are the appropriation acts passed by the Legislature while in session during the period from October 16, 1907, to June 19, 1908.^a

ACTS OF THE LEGISLATIVE COUNCIL OF THE MORO PROVINCE.

Acts of the legislative council of the Moro Province are, under the requirements of the act organizing the government of the province (No. 787), passed subject to annulment or amendment by the Philippine Commission.

The following acts of the said legislative council were received and disposed of as indicated during the period covered by this report:

- Act No. 196.—An act to provide against fire in the municipality of Zamboanga by providing that after the first day of January, nineteen hundred and ten, no houses or buildings except such as are of a permanent type and character shall be erected within the fire limits of said municipality as established by Act Numbered One hundred and sixty-one, and for other purposes. Approval suspended, February 4, 1908.
- Act No. 201.—An act authorizing the treasurer of the Moro Province to extend the time for payment of road tax for the year nineteen hundred and seven. Approved, January 4, 1908.
- Act No. 202.—An act appropriating the sum of four thousand two hundred sixty-three pesos and eighty-four centavos, Philippine currency, for sundry additional expenses of the government of the Moro Province for the fiscal year ending June thirtieth, nineteen hundred and eight. Approved, January 4, 1908.

^a These have been omitted and are on file in the Bureau of Insular Affairs, War Department.

- Act No. 203.—An act appropriating the sum of eight hundred and eighty pesos, Philippine currency, from the road-tax fund for roads and bridges in the vicinity of the municipality of Parang. Approved, January 21, 1908.
- Act No. 204.—An act making sundry additional appropriations for the service of the Moro Province for the fiscal year nineteen hundred and eight, and for other purposes. Approved, February 15, 1908.
- Act No. 205.—An act creating the office of deputy district governor of Basilan, fixing the compensation therefor, and prescribing its powers and duties, and for other purposes. Approved, February 18, 1908.
- Act No. 206.—An act appropriating the sum of thirty-four thousand and fifty-three pesos and nineteen centavos, Philippine currency, for sundry additional expenses of the government of the Moro Province for the fiscal year ending June thirtieth, nineteen hundred and eight. Approved, May 1, 1908.
- Act No. 207.—An act further regulating the fishing for shells of marine mollusca in the Moro Province. Approved, May 1, 1908.

CONFIRMATION OF APPOINTMENTS.

The following statement shows the number of appointments confirmed by the Commission in executive session during the period covered by this report:

Number of nominations for insular offices confirmed.....	21
Number of nominations for provincial offices confirmed.....	23
Number of nominations for city of Manila offices confirmed.....	2
Number of nominations for position of justice of the peace confirmed.....	205
Number of nominations for the position of auxiliary justice of the peace confirmed	290
Total number of confirmations.....	541

ADVERTISEMENTS.

On December 31, 1907, the advertising contracts had by the executive bureau with several of the newspapers of the Islands expired, no specific appropriation to meet the expenses of advertising having been provided beyond that date. During the six months from July 1 to December 31, 1907, 407 official advertisements, including laws, resolutions, proclamations, executive orders, ordinances, and notices of all kinds were received from the various bureaus and offices and sent to the several contract newspapers for publication. On May 11 last concurrent resolution No. 6 was adopted, authorizing the executive secretary to make contracts with the daily newspapers known as "El Renacimiento," "The Manila Times," "La Democracia," and "The Cablenews-American" for the publication of all acts and joint and concurrent resolutions of the Philippine Legislature, the Philippine Commission, or the Philippine Assembly, executive orders and proclamations of the governor-general, and other public advertisements of the various departments and bureaus of the government such as are sent by the executive secretary to the said newspapers for publication, with the understanding that for services thus rendered in the publication of such official matters each newspaper mentioned should receive the sum of ₱500 monthly, with the proviso that the advertisements relative to litigation in the courts, and those of the court of land registration, should not be considered included in the class of advertisements to be published under the contracts. Pursuant to said resolution, contracts were made by the executive secretary with the said newspapers effective May 16, 1908. From the latter date to June 30 last, 64 official advertisements of all kinds, including laws, resolutions, etc., were received by this division, forwarded to the said newspapers and published therein in accordance with the said contracts. Very few of the laws of the present Legislature were included. These advertisements are required to run from 1 to 20 and sometimes 30 days in each paper. During the period from January 1 to May 15, 1908, inclusive, official advertisements were carried in the press at the expense of the various bureaus and offices and under such terms as they might be able to make with the papers in which they wished to advertise. The present centralized method is considered more systematic and economical, and much more satisfactory in every way. It is suggested, however, that before the next general appropriation bill is passed, it might be practicable to perfect a plan whereby each office and bureau of the government would reimburse the executive bureau for the advertisements which it sends through the latter.

WORK AT BAGUIO.

On Thursday, March 19 last, the Commission having adjourned to meet at the call of the president at Bagulo, Benguet, the secretary was directed to proceed to that point, with such personnel as might be necessary to carry on the business of the Commission until the return of that body to Manila. Pursuant to this direction the secretary left Manila on March 20, 1908, accompanied by 4 of the employees of the division of legislative records, leaving 2 of the employees of the division at work in Manila.

The total number of government employees at Bagulo this year, connected with the Commission and the heads of the several executive departments, was 19. This is a slight increase over the personnel at Bagulo last year, experience having demonstrated the necessity of additional assistance to properly carry on the increased amount of work accomplished in a given time in the cooler and more invigorating climate of the highlands. The additional work imposed upon the office of the secretary of the Commission and the division of legislative records during the legislative session of the two houses also made it advisable that a representative of the division of executive records should be detailed at Bagulo, to take care of the records of the executive departments, which duty in previous years, as well as some of the other duties of a central mailing and recording office, devolved wholly upon the very limited personnel of the recorder of the Commission.

On April 4 last, in accordance with an Assembly resolution concurred in by the Commission, the Assembly adjourned until April 27, 1908. During this period of adjournment only 2 sessions (executive) were held by the Commission.

Little or no inconvenience or delay was experienced by this division in its work by reason of its removal from Manila. Although the telegraph and postal service of last year was excellent, the facilities afforded by the bureau of posts this year were an improvement, in that there was a daily mail service and special arrangements for telegraphing between Bagulo and Manila.

The Commission left Bagulo on May 21, 1908, arriving at Manila on May 22, in time for the special session called by the governor-general, which opened at 5 o'clock post meridian of that date.

MEMBERS AND COMMITTEES OF THE HOUSES.

In the attached "Part I" will be found a list of the members of both houses, the present standing committees^a of both houses and the special committees authorized during the sessions of the Legislature.

Respectfully submitted.

WM. H. DONOVAN,
*Secretary, Philippine Commission,
Chief, Division of Legislative Records.*

The EXECUTIVE SECRETARY,
Manila, P. I.

PART I.

Members of the commission, July 22, 1908.

Governor-general James F. Smith, ex officio president.
W. Cameron Forbes, vice-governor, secretary of commerce and police.
Dean C. Worcester, secretary of the interior.
T. H. Pardo de Tavera.
José R. de Luzuriaga.
W. Morgan Shuster, secretary of public instruction.
Gregorio Araneta, secretary of finance and justice.
Newton W. Gilbert.
Rafael Palma.

^a The membership of these committees has been omitted, and is on file in the Bureau of Insular Affairs, War Department.

Members of the assembly, by provinces.

ALBAY.

First district.....Tomás Almonte.
 Second district.....Carlos A. Imperial.
 Third district.....Angel Roco.

AMBOS CAMARINES.

First district.....Tomás Arejola.
 Second district.....Manuel Rey.
 Third district.....Francisco Alvarez.

ANTIQUE.

Pedro Jimenez.

BATAAN.

José Ma. Lerma.

BATANGAS.

First district.....Felipe Agoncillo.
 Second district.....Eusebio Orense.
 Third district.....Gregorio Catigbac.

BOHOL.

First district.....Candelario Borja.
 Second district.....José A. Clarin.
 Third district.....Eutiquio Boyles.

BULACAN.

First district.....Aguedo Velarde.
 Second district.....Leon Ma. Guerrero.

CAGAYAN.

First district.....Pablo Guzmán.
 Second district.....Gabriel Lasam.

CAPIZ.

First district.....Eugenio Picazo.
 Second district.....José Altavás.
 Third district.....Simeón Mobo.

CAVITE.

Rafael Palma.

CEBU.

First district.....Celestino Rodriguez.
 Second district.....Sergio Osmeña.
 Third district.....Filemon Sotto.
 Fourth district.....Alejandro Ruiz.
 Fifth district.....Troadio Galicano.
 Sixth district.....Casiano Causing.
 Seventh district.....Pedro Rodriguez.

ILOCOS NORTE.

First district.....Irineo Javier.
 Second district.....Baldomero Pobre.

ILOCOS SUR.

First district.....Vicente Singson.
 Second district.....Maximino Mina.
 Third district.....Juan Villamor.

ILOILO.

First district.....Amando Avanceña.
 Second district.....Nicolas Jalandoni.
 Third district.....Salvador Laguda.
 Fourth district.....Adriano Hernandez.
 Fifth district.....Regino Dorillo.

ISABELA.

Dimas Guzman.

LA LAGUNA.

First district.....Pedro A. Paterno.
 Second district.....Crispin Oben.

LA UNION.

First district.....Andres Asprer.
 Second district.....Francisco Zanduetta.

LEYTE.

First district.....Quiremon Alkuiño.
 Second district.....Salvador K. Demeterio.
 Third district.....Florentino Peñaranda.
 Fourth district.....Jaime C. de Veyra.

MANILA.

First district.....Vacant.
 Second district.....Fernando Ma. Guerrero.

MINDORO.

Macario Adriatico.

MISAMIS.

First district.....Carlos Corrales.
 Second district.....Manuel Corrales.

NUEVA ECIJA.

Isauro Gabaldon.

OCCIDENTAL NEGROS.

First district.....Antonio Jayme.
 Second district.....Dionisio Mapa.
 Third district.....Agustin Montilla.

ORIENTAL NEGROS.

First district.....Leopoldo Rovira.
 Second district.....Vicente Locsin.

PALAWAN.

Santiago M. Patero.

PAMPANGA.

First district.....Monico R. Mercado.
 Second district.....Marcelino Aguas.

PANGASINAN.

First district.....Nicanor Padilla.
 Second district.....Deogracias Reyes.
 Third district.....Juan Alvear.
 Fourth district.....Lorenzo Fenoy.
 Fifth district.....Matias Gonzales.

BIZAL.

First district.....Cayetano Lukban.
 Second district.....Bartolome Revilla.

SAMAR.

First district.....Honorio Rosales.
 Second district.....Luciano Sinko.
 Third district.....Eugenio Daza.

SORSOGON.

First district.....Vicente de Vera.
 Second district.....Pedro Chavez.

SURIGAO.

Francisco Sorlano.

TABLAC.

First district.....Melecio Cojuangco.
 Second district.....Aurelio Pineda.

TAYABAS.

First district.....Manuel L. Quezon.
 Second district.....Emiliano A. Gala.

ZAMBALES.

Alberto Barretto.

STANDING COMMITTEES OF THE COMMISSION.

The following are the standing committees of the Philippine Commission, as temporarily constituted, but it is probable that these committees and the membership of each will be somewhat changed during the next session of the Legislature, in view of the resignation of Commissioner Legarda and the appointment of three new commissioners.

Committee on matters pertaining to bureaus under the executive control of the governor-general.

Committee on matters pertaining to the department of the interior.

Committee on matters pertaining to the department of commerce and police.

Committee on matters pertaining to the department of finance and justice.

Committee on matters pertaining to the department of public instruction.

Committee on appropriations.

Committee on rules.

Committee on municipal and provincial governments.

Committee on taxation and revenue.

Committee on non-Christian tribes.

STANDING COMMITTEES OF THE ASSEMBLY.

Committee on elections.
 Committee on rules.
 Committee on accounts.
 Committee on judiciary.
 Committee on public instruction.
 Committee on public works.
 Committee on police.
 Committee on health.
 Committee on agriculture.
 Committee on industry and commerce.
 Committee on patents.
 Committee on public lands, forestry, and mining.
 Committee on provincial and municipal governments.
 Committee on navigation.
 Committee on civil service.
 Committee on friar lands.
 Committee on appropriations.
 Committee on banking and corporations.
 Committee on railroads and franchises.
 Committee on relations with the sovereign government.
 Committee on internal government.
 Committee on posts and telegraphs.
 Committee on revision of laws.
 Committee on the city of Manila.
 Committee on construction of the capitol.
 Joint committee on printing.
 Committee on bills.
 Committee on style.

SPECIAL COMMITTEES AUTHORIZED.

Carnival committee. (Act No. 1805.)^a
 Committee on public calamities. (Acts Nos. 1809 and 1873.)^b
 Philippines memorial committee. (Act No. 1840.)
 Committee on the capitol. (Act No. 1841.)
 The Philippine public library committee. (Act No. 1849.)
 The pantheon committee. (Act No. 1856.)
 Fleet committee. (Act No. 1860.)^c
 Committee to prepare the record of proceedings of the assembly. (Act No. 1873.)
 Special joint committee on appropriations. (Acts Nos. 1809 and 1873.)
 Committee to make recommendations regarding law on labor accidents. (Joint Resolution No. 8.)^d
 Agricultural bank committee. (Joint Resolution No. 9.)^d
 Committee to investigate the road problem. (Joint Resolution No. 12.)
 Committee on drafting of new civil, commercial, penal, and procedure codes. (Concurrent Resolution No. 7 and Act No. 1873.)^d

^a These committees have already reported.

^b Under Act No. 1873 the duties of this committee will be discharged by the new committee appointed to prepare the appropriation bill for the fiscal year 1910 and to make report as to other legislation, etc. (See special joint committee on appropriations.)

^c In connection with the reception and entertainment of the officers and men of the American fleet on the occasion of its visit to the Philippine Islands in 1908.

^d This committee shall make report to the Legislature on or before the first day of the regular session of 1909.

EXHIBIT B.

REPORT OF THE CHIEF, DIVISION OF ARCHIVES, PATENTS, COPYRIGHTS,
AND TRADE-MARKS.DIVISION OF ARCHIVES,
Manila, P. I., June 30, 1908.

SIR: I have the honor, in compliance with the circular of this bureau dated May 11, to make my report of the work performed by this division during the fiscal year ended June 30, 1908.

Having already done so in my previous reports, I deem it useless to dwell again upon the efforts made by the scant personnel of this division to keep up-to-date the work assigned to the same, such as the recording and filing of articles of incorporation, by-laws, and other documents related with the establishment of private corporations; the registration and issuance of certificates of copyright; the registration and filing of patents; the registration of cattle brands; the making of copies of instruments and testaments on file in the notarial records; the arrangement and classification of documents pertaining to the Spanish administration of these islands; and, lastly, the rendering of detailed reports with regard to such documents, whether concerning property of the state or private property, or relating to taxes and imposts.

It is necessary to take into consideration that the force of employees of this division has been reduced instead of being increased, notwithstanding the increase of the work.

In accordance with the instructions contained in the circular mentioned, I shall therefore confine myself to stating, in a concise and simple manner, and separating the different matters, the amount of work performed during the period covered by this report, as hereinafter detailed, with the suggestions that I consider necessary for the good of the service.

ARTICLES OF INCORPORATION.

There have been recorded and filed in this division:

	Fees.
Articles of foreign corporations, 63.....	₱3, 150
Articles of incorporation of domestic stock companies, 34.....	850
Articles of domestic corporations not stock companies, 15.....	375
Articles of religious corporations, 8.....	200
Articles of corporations which increased their capital, 2.....	40
Mortgage in favor of the government, 1.....	25
By-laws of corporations, 41.....	82
By-laws of corporations, amended, 2.....	4
Copies of appointments of agents, 3.....	70
Total.....	4, 790

As I had foreseen in my previous report, there were subsequently recorded and filed during the month of July, 1907, some 30 of these articles, belonging to existing foreign corporations who had delayed in complying with the law; the others are of corporations recently organized.

Due to suggestions of this division, there was passed act No. 1744, which amends section 17 of act No. 1459 by providing that increases of capital stock shall be duly guaranteed, inasmuch as the corporations used to start with a small capital, in order to increase it upon having filed their articles in this division, to the serious prejudice of the public interests.

PATENTS, TRADE-MARKS, AND COPYRIGHTS.

The following have been recorded and filed:

	Fees.
Trade-marks, 94.....	₱4, 700. 00
Transfers of the right to the use of trade-marks, 4.....	10. 00
Patents issued in the United States, 36.....	72. 00
Transfers of patents, 7.....	14. 00
Caveat, 1.....	2. 00
Copyrights, 70.....	70. 00

REPORT OF THE PHILIPPINE COMMISSION.

Fees.
18.50
4.00

419.63

5,308.63

ere were issued:

ified copies of records of trade-marks, 9
ified copies of patents, 3
annual fee collected on 10 patents granted by the Spanish Govern-
ment to C. Gsell

Total

In my last year's report I presented the necessity of the enactment of a copy-
right law for these islands, in view of the doubts that had arisen relative to
the application of the laws of the Spanish Government which had been declared
effective by order of the military government on the capitulation of this city.
To this effect I said:

"In accordance with an order issued by the military government upon the
capitulation of Manila to the United States Army, this division is guided by the
'copyright laws in force in the time of the doubts that had arisen relative to
literary, artistic, and scientific works.

"In view of the fact that since the cessation of the sovereignty of Spain in
these islands the Spaniards are considered foreigners, there exist doubts as to
whether the Spanish works must be protected in these islands under the laws
mentioned and the royal decree of January 31, 1896, prohibits the admission for
registration of foreign works.

"It is true that in view of the reciprocity agreement on copyright, entered
into between Spain and the United States in the year 1902, it is deduced that
Spanish works must be protected in the United States; but the undersigned
understands that this reciprocity does not extend to the Philippine Islands.

"In a case which occurred recently, when certain Spanish dramatical works
were presented in this division, the attorney-general of these islands rendered
an opinion in this sense, arguing that though it is true that the Congress of foreign
United States, by an act passed on March 3, 1891, granted to citizens the privilege
of registering their literary productions in Washington, yet section 1 of the act
of Congress of July 1, 1902, known as the 'Philippine bill,' repealed section
1891 of the Revised Statutes, and the copyright laws of the United States are
therefore not applicable to the Philippine Islands, so that neither citizens of
the United States nor citizens of foreign countries can be assured protection in
the Philippine Islands.

"On the other hand, according to the opinion emitted by the same attorney-
general on occasion of the registration of certain dramas based on Doctor
Rizal's 'Noli me tangere,' the laws and provisions of the Spanish Government
which had continued in force by virtue of the aforementioned order of the
military government, ceased to have effect from the moment that the military
régime ended.

"It therefore appears, in view
with that moment the registra-
works that were presented

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	Fees.
Certified copies of records of trade-marks, 9-----	16.50
Certified copies of patents, 3-----	4.00
Annual fee collected on 10 patents granted by the Spanish Government to C. Gsell-----	419.66
Total -----	5, 308.66

In my last year's report I presented the necessity of the enactment of a copyright law for these islands, in view of the doubts that had arisen relative to the application of the laws of the Spanish Government which had been declared effective by order of the military government on the capitulation of this city. To this effect I said :

"In accordance with an order issued by the military government upon the capitulation of Manila to the United States Army, this division is guided by the copyright laws in force in the time of the Spanish régime for the registration of literary, artistic, and scientific works.

"In view of the fact that since the cessation of the sovereignty of Spain in these islands the Spaniards are considered foreigners, there exist doubts as to whether the Spanish works must be protected in these islands under the laws mentioned and must consequently be admitted in the register of this division, seeing that the royal decree of January 31, 1896, prohibits the admission for registration of foreign works.

"It is true that in view of the reciprocity agreement on copyright, entered into between Spain and the United States in the year 1902, it is deduced that Spanish works must be protected in the United States; but the undersigned understands that this reciprocity does not extend to the Philippine Islands.

"In a case which occurred recently, when certain Spanish dramatical works were presented in this division, the attorney-general of these islands rendered an opinion in this sense, arguing that though it is true that the Congress of the United States, by an act passed on March 3, 1891, granted to citizens of foreign nations allowing reciprocal rights to citizens of the United States the privilege of registering their literary productions in Washington, yet section 1 of the act of Congress of July 1, 1902, known as the 'Philippine bill,' repealed section 1891 of the Revised Statutes, and the copyright laws of the United States are therefore not applicable to the Philippine Islands, so that neither citizens of the United States nor citizens of foreign countries can be assured protection in the Philippine Islands.

"On the other hand, according to the opinion emitted by the same attorney-general on occasion of the registration of certain dramas based on Doctor Rizal's 'Noli me tangere,' the laws and provisions of the Spanish Government which had continued in force by virtue of the aforementioned order of the military government, ceased to have effect from the moment that the military régime ended.

"It therefore appears, in view of this authorized statement, that beginning with that moment the registration of all the literary, artistic, and scientific works that were presented in this division must be considered null and void.

"If this opinion should prevail, the injuries resulting to the parties interested would be incalculable. As much for this reason, as in order to avoid doubts and confusion in the interpretation of the laws that should now obtain in these islands, it is of imperious necessity that the Philippine Commission enact special legislation in the premises, to take the place of that which, though strictly applicable in the times of the Spanish Government, does not obtain since the change of sovereignty in these islands."

I deem it opportune to reproduce the foregoing recommendation and insist upon the necessity that such legislation be enacted, in order that the doubts mentioned be definitely settled, and that this division know how to govern itself in the future.

CATTLE BRANDS.

During the fiscal year 31,796 copies of brands were received, of which 124 were returned, some for amendment and the others for compliance with the indispensable requisites prescribed by law. There were registered 13,000 brands.

The education of the municipal treasurers being very deficient in the majority of cases, it is not possible to obtain a regular and complete service, and it

involves a laborious task for this division to keep up a sterile and constant correspondence with 700 treasurers and chiefs of rancherias, who sometimes return the copy of a brand for a third time for its amendment, notwithstanding the clear and strict explanations and instructions as to how to comply with the provisions of the law contained in 502 letters addressed to them during the period covered by this report.

Some municipal treasurers send to this division the copy of a brand immediately after it has been registered, and this, besides causing a great deal of unnecessary work, involves the use of a large amount of postage and envelopes.

In order to save time, work, and superfluous expense, the writer deemed it advisable to call the attention of the officers mentioned to this particular, requesting them to send the copies of the brands registered monthly, and to keep those registered during the month until the end thereof.

Though this instruction was complied with by some, others continue using the old method, perhaps because of their not having received the letter of this division, which doubtless was lost, or because they considered their system to be better than that proposed by the writer. At all events, I deem it necessary to repeat the letter mentioned in order to put a stop to that practice.

The local press continues deploring the cattle thefts which occur with frequency in the neighboring provinces, and the governor of Bulacan particularly has again taken up the consideration of a means of checking the carabao thefts in his province, in view of the facility with which certificates can be secured in the bureau of internal revenue, Act. No. 1147, which regulates the registration and branding of large cattle, not being applicable to the city of Manila.

Already in my report for the year 1906 I demonstrated the advisability of applying that act to this city, in view of the evil effects on agriculture of the frequency of cattle thefts, and in my report for last year, 1907, I deemed it necessary to renew this recommendation, in view of the continuance of the demands of the press and the complaints of the provincial governors. Seeing that these evils still exist unabated, and though I understand that the Assembly has already taken up the matter of the amendment of the act mentioned, without taking definite action, I can not but repeat a second time my recommendation of the early application of that act, with the necessary amendments, to this city, this being urgently required by the interests of the pueblos made the victims of the depredations of criminals.

NOTARIAL RECORDS AND FEES.

To various private parties 437 copies of instruments and testaments were issued, with a total of 2,468 pages and 674,775 words, resulting in a revenue to the treasury of ₱675.06, which, added to the ₱550.40 of fees for searching the records, and the ₱272 for certificates issued, makes a total of ₱1,497.46.

There were also issued, gratis, 410 official copies requested by several offices for official business, containing 3,874 pages and 1,023,550 words.

I again recommend the advisability of a change of fees charged for copies, in accordance with paragraph 5 of section 3 of Act No. 644, substituting therefor fees based upon the amount of work involved.

This change would result in charging 50 centavos for each page of copy instead of 10 for each 100 words, and in the substitution of the word "antiquity" for the word "search," and collecting 20 centavos for each year instead of 10, as shown in the following table:

PRESENT TARIFF RATES.

For every search for anything above a year's standing, 5 cents for every past year.

For every 100 words contained in any copy, 5 cents.

For every certificate of correctness to which the seal of the bureau is affixed, 25 cents.

PROPOSED TARIFF RATES.

For copying any document, etc., 50 centavos for each page (13 by 8 inches) or fraction thereof.

For the antiquity of such document, 20 centavos for each year.

For each certificate of correctness to which the seal of the bureau is affixed, 50 centavos.

EXAMPLE.

Charges under the present tariff:

For the search of a document for the years from 1901 to 1908, at the rate of 10 centavos for each year-----	₱0.80
For copying said document, containing 900 words, at the rate of 10 centavos for every 100 words-----	.90
For certificate of correctness of said document-----	.50
Total-----	2.20

Charges under the proposed tariff:

For copying any document of 3 pages, at the rate of 50 centavos per page (each page has, as a rule, 100 words)-----	1.50
For the antiquity of said document, for the years from 1901 to 1908, at the rate of 20 centavos each year-----	1.60
For certificate of correctness of said copy-----	.50
Total-----	3.60

The result is an increase of ₱1.40, and if we compare both charges and take into consideration the amount of work performed, we find this increase to be not at all onerous, but fair and reasonable.

There were received in this division 151 notarial books and records from the provinces of Albay, Ambos Camarines, Batangas, Bulacán, Capiz, Cavite, Cagayan, Catanduanes, Cebú, Iloilo, Ilocos Norte, Ilocos Sur, Laguna, Leyte, Manila, Marinduque, Masbate, Nueva Ecija, Pangasinan, Pampanga, Moro Province, Rizal, Samar, Tayabas, Tarlac, Union, and Zambales.

ARCHIVES.

There have been furnished by this division to the executive secretary and various bureaus and private parties 31 reports, which are mentioned in the list annexed to this report.

The work on a fire-proof vault for the safekeeping of the records and other documents of great importance made it necessary to clear the room where the documents and papers of the finance department of the late Spanish Government had been kept.

For this reason they were greatly disarranged upon being transferred provisionally to other places, and it has become necessary to rearrange and classify them, an operation which can be effected only from time to time, because the majority of the employees of this division are constantly engaged in the work of copying from the records, and it has only been possible to arrange and classify 137 bundles or volumes on various subjects.^a

Respectfully submitted.

M. DE IRIARTE,
Chief Division of Archives, Patents,
Copyrights, and Trade-Marks.

The EXECUTIVE SECRETARY,
Manila, P. I.

Reports were furnished on the following subjects during the fiscal year 1908:
Arroceros Military Hospital.

Communal land of the pueblos of Dilao and Malate.

Various epochs when cholera made its appearance in the Philippines.

Proposing amendment of sections 9 and 17 of the corporation act.

Inquiry of Francisco de Leon and others, relative to several points of the articles of constitution of the benevolent institution denominated "Monte de Maternidad."

^a The following have been omitted from this report and are on file in the Bureau of Insular Affairs, War Department: A list of the articles of incorporation, by-laws, and affidavits recorded and filed in the division, together with the fees received therefor, in compliance with the corporation Act No. 1459, during the fiscal year ended June 30, 1908. A statement of notarial record books received. These were sent in compliance with executive order of the governor-general No. 3, January 19, 1905, during the fiscal year ended June 30, 1908.

With regard to jurisdiction to which belongs the island denominated "Isla Grande."

Petition of the municipal president of Basco (Cagayan), that a term for the registration and branding of cattle be fixed for the owners thereof.

Inquiry of Messrs. Pujalte & Co., relative to certain cattle coming from Joló and lacking certificates of transfer.

Powers of the "Ayuntamiento de Manila."

Construction of the government house, tribunal, customs-house and public jail of Iloilo.

Powers of the politico-military governor of Zamboanga.

Piece of land requested by Señor Pascual G. Estrada, situate on the shore of the laguna.

Municipal budgets:

Relative to books of the register of property and notarial records of said province.

Construction of San Juan and San Francisco del Monte powder magazines.

Relative to models of inscriptions for the restoration of the Magallanes monument at Cebu.

Regarding the bishop's palace of Ambos Camarines, with plan.

Barracks building of the guardia civil of the same province, with maps.

Lot, property of the state, in the said province, with plans.

Building which was formerly the "tribunal" of Nueva Cáceres, with plans.

Cathedral of Nueva Cáceres, with plans.

Building which was the public treasury building of Camarines Sur, with plans.

"Casa real" of Nueva Cáceres, with plans.

Some flats owned by the state, at Nueva Cáceres, with plan.

Lot owned by the government in the barrio of Tabuco, Nueva Cáceres, with plan.

Lot and warehouse, the property of the treasury department, at the parian of Nueva Cáceres.

Casa real of Iloilo.

"Tribunal" of Iloilo.

Customs-house of Iloilo.

Public jail of Iloilo.

Prestación personal.

EXHIBIT C.

REPORTS OF PROVINCIAL GOVERNORS.

REPORT OF THE GOVERNOR OF AGUSAN.

OFFICE OF THE GOVERNOR, PROVINCE OF AGUSAN,
Butuan, P. I., July 5, 1908.

SIR: I have the honor to render the following report upon the Province of Agusan.

The province to consist of two subprovinces, Butuan and Bukidnon, was established August 20, 1907, by act of the Philippine Commission.

The subprovince of Butuan embraces the lower half of the Agusan Valley, and the entire Tubay Valley excepting the northern half of Lake Mainit.

On the Agusan River, above the town of Talacogon, the subprovince embraces the greater part of the so-called lakes. For many miles inland on both sides of the river the land is subject to inundations that, for the greater part of the year, convert the land into swamps or shallow lakes crossed by rapid streams or currents. Here and there a small hillock appears, nearly always topped by a Manobo shanty, otherwise all is apt to be water. From Talacogon south, sleep and cooking must be done in the baroto, as no land appears where cooking can be done. Along the main tributaries a little land may be found higher than the rest, where some agriculture of a fashion is carried on, but generally it is scanty.

Below Talacogon the land is subject to similar inundations for 3 or 4 miles on each side of the river, though not to the same extent, yet sufficient that indications of the swampy nature of the soil may be noted at all times.

Further inland the ground rises somewhat, and large, fertile territories lie idle between the lower part of the valley and the foothills.

The mountains rise abruptly on each side of the valley, but are steeper and higher to the east thereof than to the west.

That part of the subprovince which lies north of the Agusan Valley consists largely of a fertile alluvial plain, drained by the Tubay River and a number of smaller rivers flowing into the large and deep tidewater estuary known as Baog River.

To the east rises the same mountain chain which borders the province farther south, but here more rugged and wider than elsewhere.

In the northern part of the subprovince the large majority of the people are Visayans, all included in the municipalities of Butuan and Kabadbaran. This district may be better described as all the territory that lies north of Mahay Creek, a small tributary to the Agusan.

The uncivilized portion of the people of this district is partially settled in 12 small towns or settlements, and partially as yet unsettled and of nomadic habits.

Four of these settlements were established during the past year, all of Mamanuas, a mixed race of Manobos and Negritos, showing all shades of color from a light brown to the deepest black. These people seem to assimilate readily with the Manobos, and will in time be entirely absorbed in that tribe.

Within the municipality of Kabadbaran the barrio of Tubay is the port of export for the Tubay Valley and the Mainit Lake country. Kabadbaran exports only the products of its own immediate vicinity, but is the largest town, being closer to the most fertile region. The people of these towns are thrifty and advancing satisfactorily.

Butuan, likewise entirely Visayan, being the direct outlet of the Agusan Valley, survived for many years on the trade with the Manobos on the upper river. The trade was not always carried on as fairly as might be, as it was too easy a way to make money not to open temptations occasionally leading to abuses, and eventually it caused many of the people to neglect their lands in

The murder of H. M. Ickis, bureau of science occurred within the last few months on the extreme southern boundary of the subequator. The immediate cause of the murder was the desire of his captors to discontinue the journey coupled with vengeance for the death of Ombui, a Mambila chief who died in prison some 15 years ago. The blame for the death rests however directly upon the shoulders of the provincial governor, who allowed Mr. Ickis to cross over a trail which the governor himself had not first investigated, as it was his duty to have done.

The export trade of the province is almost entirely in hemp and the fall in the price of that product during the last year has been a very serious matter to the people. The actual output is probably not more than two-thirds of what it formerly was. Planters complain that much hemp is going to waste, actually

Under the management of the General Land Office, the management of the land is of the highest importance, and the management of the land is of the highest importance, and the management of the land is of the highest importance.

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Respectfully submitted,

Commissioner of the General Land Office

The Secretary of the Interior

Report of the Commissioner of the General Land Office

Commissioner of the General Land Office

The management of the land is of the highest importance, and the management of the land is of the highest importance, and the management of the land is of the highest importance.

fathers in their travels from the mission at Tamoutaca (District of Cotabato) to Cagayan de Oro (as it was called at that time) founding missions and converting many to the Catholic faith.

From all accounts the valley was immensely rich, thousands of cattle, carabao, and horses roamed the plains, and the land was extensively cultivated and planted to palay, maize, and tobacco, which may account for its being picked out by the fathers for the scene of their labors. No complaint of hunger was ever heard, and it was said that it was a common occurrence at a wedding to kill from 5 to 10 carabao for the entertainment of the assembled guests. Missions were established at Linabo and Sumilao, and the work of converting the infidels to Christianity was prosecuted with vigor. At this time it is believed most of the people lived in the valleys and adjacent mountain slopes, but owing to persecution kept moving back, and from this time dates the beginning of the nomadic customs of this people. During the revolution this section was occupied by the revolutionary troops, possibly because it offered a rich field for tribute and was easily accessible, causing many people to flee to the mountains and to abandon the settlements, many of which were destroyed by the insurgents. The cattle plague or pest completed the work of devastation, practically killing all the cattle in the country, and in consequence there being no animals to cultivate the land it was abandoned and allowed to grow up in cogon, while the people went to the mountains and carved out new sacombs with their bolos, cutting and burning the timber, and thus escaped the cogon grass and the persecution of the seacoast people.

Under the former government the Bukidnons were regarded as legitimate prey by the commerciantes, and where they could be reached with any degree of safety were completely under the dominion of the Dumagat because of the fear of punishment so deeply instilled in them. To-day the settlements nearest to the seacoast are the poorest and most degraded in consequence of the Dumagat influence, so that under the conditions which have obtained it is not surprising that there has developed a suspicious and cunning nature not found in the original people. The settlements were called municipalities, whose officials consisted of presidentes, consejales, tenientes, and a volunteer police force. The presidentes were appointed by the governor mainly through commissionados or agents of the principal commerciante, were subject to the officials, and in return for their appointment handled their sacops or dependents according to the will of the principal who controlled them. The Cagayan River section, for instance, was controlled by Captain Ulong (Señor Vamenta, one time presidente of Cagayan, and commerciante), whose power was so absolute that the people could not sell their products to anyone but him or his agents under fear of punishment of being put in jail on some trumped-up trivial charge. As his own sweet will dictated the prices they should receive for the fruits of their labor, they were always kept in debt, and as it was a custom that when a person owed another he must bring him all his products until the debt was paid, and as they were never allowed to get out of debt they were slaves to all intents and purposes for all time. In this section very little palay, maize, or camotes were seen, the people procuring their food supplies from Cagayan. Large quantities of hemp and coffee of fine quality were grown, and these the commerciante bought at practically his own price, paying in cloth (mangad), and in time of hunger, rice, which sold as high as 8 cents a ganta. These people are infidels, and intensely ignorant.

The Chino comerciante (Chinese merchant) and the Visayan principales of Agusan and Gusa controlled the southern and southeastern section in much the same manner, while many of the people received little or nothing for their products as they lost them while under the influence of "vino," which was freely handed out, or by gambling into which they were inveigled.

Murder and lawlessness went practically unchecked and unless the injured party was a Dumagat or a useful favorite they were allowed to settle it among themselves. A short time ago the presidente of Dongajalahon reported to the senior inspector at Cagayan that 18 of his people had been killed by Cosina people, that he was tired of it, and that the presidente of Cosina had brought cloth to "Jusi" the case, but he had refused it. The information was promptly forwarded to the lieutenant-governor, who investigated the case, and on asking the presidente of Cosina why he had not arrested the murderers and reported the occurrence to the senior inspector at the Dagat was informed that heretofore when anything of that nature occurred and was reported to the governor at the Dagat they were told to settle it among themselves. This "Jusi" or settlement was conducted by the presidentes and their local

judge and consisted of agreeing upon the amount to be paid to the family or relatives of the injured party and ranged from ₱10 up, paid in cloth and other effects, one-third being probably paid down and the rest "Utang" or credit, which was seldom if ever paid. In other cases where complaint was made against them they would be ordered to the Dagat which sometimes ended in their being punished or signing away all they possessed, so it is no wonder their fear of the Dumagat is deeply rooted and will take time and patience to eradicate. In these settlements were tribunals built by the people supposedly for the use of the presidente and consejales in the administration of affairs, but principally used by traveling comerciantes as stopping places and storehouses for the hemp they acquired, the police being used as muchachos and debt collectors. In one particular tribunal it was said a Chino had lived for 3 years; he does not live there now.

So entirely were these people under the influence of the principales that shortly after the arrival of the lieutenant-governor and before any orders had been promulgated or changes made (with the exception of notice to the comerciantes and others that anyone known to sell or give alcoholic liquors to monteses—mountaineers—would be prosecuted) presidentes and representatives of towns in the vicinity of the Cagayan and Agusan rivers to the number of 50 came to Cagayan to complain against having an American governor and asked the protection of the senior inspector of constabulary (report dated September 28, 1907). This movement was due to pernicious statements and reports circulated among these ignorant people by those whose modus operandi might possibly be affected by a change in the conditions, but so thoroughly cowed were the people that it was impossible to get them to divulge the names of those who had advised them to complain, and while at that time no proof could be obtained, it was a moral certainty they were acting under the order of the principales of Cagayan.

Back in the mountains of the eastern part of the province are many monteses who lead a free and independent life, subject only to the law of the datto whose dependents they were, a superstitious and ignorant people. Many of these dattos were "bandoleros," and swooped down on outlying settlements, robbing and murdering with comparative safety, as the mountains were hard to operate in.

As I have remarked on several previous occasions, the settlements nearest the "Dagat" or seacoast are miserably poor, the state of the people presenting a marked contrast to that of those farther up the country. On a recent visit from which I have just returned the condition of some of these people was found to be pitiable in the extreme. These settlements, composed of some 25 to 30 families, controlled by a so-called presidente who is practically owned by the "amo" or principal to whom these people are subject, are not calculated to give one a good impression of the incalculable benefits they are supposed to receive by their proximity to so-called civilization. It was the presidentes of these same settlements who were among the number who went to Cagayan to complain against having an American governor, showing absolutely who was behind the movement, and who will always be against any movement whereby their interests may be affected by the enlightenment of the people. Some of these settlements are between the Agusan River, the mountains, and Misamis, and the amount of hemp growing in the Agusan and adjacent river bottoms is enough to support them in luxury under ordinary conditions, but the most of this abaca has been "acquired" by Chinos and Cagayanos through the "Utang" or credit system, which, besides double prices, comprises a villainous system of bookkeeping where the poor tao is concerned. One settlement in particular had been moved bodily from its former location (in order to remove it from all connection with the large stands of abaca growing in the vicinity) and placed out on the cogon patag, where they were perfectly helpless, as they have no carabaos to plow with and no tools but their bolo. (I was told this occurred about the time of the Hon. Commissioner D. C. Worcester's visit to Bukidnon.) Another settlement had some abaca, but the only camote patch was owned by a Dumagat who lived there, all in much the same condition.

The presidentes wear a white suit of clothes and smoke cigarettes, while the poor tao has barely sufficient rags to cover his nakedness, and in some instances not even camotes to eat, so, with no strength, robbed of any ambition he might have had, he presents a miserable picture, made so by the conditions forced upon him and which he was too simple and ignorant to withstand. The removal of these so-called presidentes presents no solution to this problem, as there are

no strong men to put in their stead. So well have the groups been segregated, and so abject is their submission to the will of their master (who has made them believe that he holds their lives in the hollow of his hand, but whose sole intention is to use them for his own enrichment without any return whatsoever), that at present I can do nothing for these people, as I have no assistance, not even from the people themselves, and distance precludes the possibility of an adequate supervision. It is respectfully suggested as a partial solution of this question, that, after the coming harvest, these people be removed from their present influence to some location where they can be looked after and given an opportunity to make a fresh start.

While the formation of the subprovince of Bukidnon has given to the people a government intended to protect and care for them, it has opened up no new avenue of trade (having no connection with the coast towns except by going through Misamis), since all products must be transported to the seacoast towns where the merchants are located and where the monteses after a 20, 40, or 60 mile trip must sell his products at whatever price the merchant cares to pay. Handicapped also by a system of weights and measures which would skin a cat he has not much show for the results of his labor, and that little is given him in cloth and similar cheap wares. One exception to this is the number of traveling commerciantes, the majority of whom pay no license or taxes and are a bar to legitimate enterprise, who go about with a couple of horses or a carabao or two, carrying a little cheap cloth, salt, etc. A strict inspection of weights and measures and the supervision by a revenue man for a short period would help materially, but so long as the present conditions obtain little aid can be given them. Not until they produce enough foodstuffs to maintain themselves and handle their products advantageously, not until they learn to lay by sufficient for the proverbial rainy day, will they experience any material prosperity. Time, patience, and education must be depended upon to produce results.

From the first a strong opposition was encountered, caused by statements circulated by persons who not only controlled the products of the people but the people themselves, body and soul, and as it was necessary to gain the confidence of at least a portion of them, so as to form a base from which to work, much time was spent in that direction, and as it was not believed that a hurried visit over such a large and difficult territory would be productive of any good results attention was turned to founding and building up permanent communities out of the present settlements.

The capital of the subprovince having been located, plans were formulated and a suitable building erected for use as provincial offices and also a provincial jail, streets were laid out with some attention to regularity and graded with a view to affording drainage, new houses were erected to replace the old ones, the lagoerta, or adjacent land, was fenced off into gardens in which various foodstuffs were planted, and later two schoolhouses were erected and numerous improvements were made which were calculated to bring contentment to a roving, restless dispositioned people. Some instruction was given the presidente and consejales as to their duties and obligations as a governing body, ordinances were framed regulating sanitary and other conditions calculated for the general benefit of all, schools have been opened and attended by a large number of interested children, many new and helpful customs have been taught them by example, and particular stress has been laid on the necessity of planting an increased area of food products, so that there should be no more hunger and famine. At this time Malaybalay, the capital, with its barrio of Silay in the mountains, has a padron, or census, of some 2,176 contented, well-dressed people, who are rapidly advancing.

During this period work was also in progress in other settlements along the same lines as at the capital, and in those settlements where it was thought a school could be successfully conducted schoolhouses were built, many people who lived out on their plantations were induced to build houses in the settlements, and some people were brought in from the mountains. Some work was also done on the trails, but owing to a lack of tools, none of a permanent nature, and later a bridge of a permanent nature was built across the "Mangima River," which in the rainy season is impassable for sometimes a week at a time, causing much delay and inconvenience to those traveling to the coast. The bridge, which is 175 feet in length, built on piling of Molave, with plank flooring and a cogon roof, was erected at a cost of ₱500 from provincial funds. Considerable work was done in grading a road to the approaches and a new trail was laid out up both sides of the canyon. When it is remembered that none of

these people knew the use of tools, and that a pick and shovel were something they had never handled before, a sharpened stick and a bolo being the only tools they were accustomed to, this was no easy task.

Protection was given to settlements and persons who, by their friendliness for the government, incurred the displeasure of those evilly disposed, as in the case of Moluco, where a family of three were killed and a woman badly wounded. By the cordial cooperation of the constabulary, one of the murderers was eliminated, another is now in jail, and a band of outlaws was put out of commission. All cases of murder and lawlessness were immediately investigated as soon as reported, and as a result one man has been sent to Bilbid for a term of years, one was eliminated, and one is now in jail awaiting trial. In the case where it was reported that some of the people of the settlement of Quimaya had removed the bell and image from the Roman church and placed it in the Aglipay building, by order of the lieutenant-governor it was immediately restored to its original position and the incident closed. Although this act was committed by Bukidnons (nuevo Christianos), it is believed they were influenced by seacoast sympathizers of the Aglipay movement, and not by their own volition. In consequence of the activity displayed in running down the perpetrators, no murders or acts of lawlessness have since been reported.

At the same time an earnest effort is being made to reach the people living away back in the mountains, and although but few very extended excursions have been made, considerable country has been covered and a number of people brought under governmental influence. A number of dattos who have heretofore led a free and independent life as "bandoleros," ruling as absolute as kings over their dependents, have come in and signified their intention of locating in the settlements. At present in the town of Impassu-ong two dattos are building houses and have begun preparing land for their sacobs, but no great advancement will be visible until after the next harvest, as the sacombs, or plantations, upon which the people must depend (until they get new land prepared) lie away back in the mountains. Some 400 or 500 names of persons have been listed in the padron, or town census, of Impassu-ong, and although formerly many of them belonged to the valley settlements, they have lived for years in the mountains, and an old man, on being asked if he ever saw the sea, said that when he was a little boy he went down to the coast, and that he had never left the mountains since. A few guns have been turned in, among them two Remingtons belonging to two Tagalogs (former disciplinarios of Spanish days who revolted at Iligan and marched overland, and some of whom settled in the mountains and became dattos), which were brought in by one of the new converts. Dattos from other parts have also signified their willingness to obey the order of the government, and it is believed some progress is being made. Owing to the immense numbers of locusts (Talapan ug Tielong), all of the sacombs (even of the people living in the settlements), where they plant their humay ug kamaise, are back in the mountains, in the hope of escaping the pest, which, on account of the vast cogon areas, the scarcity of food and people, it is impossible at present to successfully combat. It is hoped that the gradual reclamation to cultivation of some of this land will help solve the problem by planting foodstuffs and other crops not affected by the pest. Should the land planted escape a visitation of the locusts, it is believed a very large crop will be harvested, and the barrio of Silay estimates that its yield from seed already planted will be over 3,000 cavans, and planting is still progressing, all settlement work of a public nature being dropped to give the people an opportunity to plant all the seed they can, and barring accidents, a large yield is looked for.

In January of the present year 4 schools were opened in as many settlements, native teachers were installed, and great interest was manifested by the people, resulting in a large, regular attendance, and although there was no supervising teacher, such care was taken by the division superintendent of schools in the selection of the teachers that the results have reached far beyond expectations. More teachers are promised for the coming school year, when it is hoped greater progress will be made in the regeneration of these people, and through their children the cloud of ignorance and superstition that at present envelopes them be dispelled.

After the planting is finished it is hoped to accomplish some road work of a permanent nature when some additional tools have been received (mattocks), as funds for such purpose are of little use without adequate tools to work with.

Regarding the products of Bukidnon no statistics are at present available, but it is believed that two-thirds of the hemp, most all of the coffee, and all of the gutta-percha exported from Misamis are grown there.

As an inducement to these people to settle down permanently it is suggested that a title be given to all now occupying a solar or piece of ground on which they have built a house and are now living therein, without prejudice to their right to a claim under the homestead law should they wish to avail themselves of its provisions.

It is respectfully recommended that the salaries of the presidents of Malaybalay, Moluco, and Sumilao be raised from ₱8, ₱8 and ₱6 per month, respectively, to ₱15, ₱12 and ₱10, respectively, in order to procure the best material available to fill the position.

It is further recommended that Malaybalay be made a regularly incorporated municipality and that provision be made for paying and uniforming a proper force of police and jail guards, thus eliminating the necessity of a permanent detail of constabulary. Armed with a revolver, and equipped with a saddle and bridle they could be used effectively all over the subprovince with no expense for transportation of rations or horses.

Respectfully submitted.

FREDERICK LEWIS,

Lieutenant-Governor Subprovince of Bukidnon, Agusan.

The GOVERNOR OF AGUSAN,

Butuan, P. I.

Supplemental report of the lieutenant-governor of Bukidnon.

OFFICE OF THE LIEUTENANT-GOVERNOR,
SUBPROVINCE OF BUKIDNON,
Malaybalay, June 23, 1908.

SIR: Bokidnon (Buquidnon) is a subprovince of the province of Agusan, the object of the government being to give to the several non-Christian tribes which inhabit its plains and mountains a form of government that will bring them under the influence of civilization. Some of these people have already been brought close to civilization through the influence of Christianity, and are known as Nuevo-Cristianos. Although many of them have been baptized, own the Catholic faith, and at times perform the rites and ceremonies thereof, they still adhere to many of their pagan customs and ceremonies.

By nature the inhabitants are suspicious, and while some are timid and easily controlled, others are of a wild and uncontrollable disposition, knowing no will but their own and showing no disposition to enter a civilized state. They do not believe that the arm of the government can reach to the recesses of the mountain fastnesses they inhabit. In consequence it is necessary that the governor have at his disposal sufficient force to enable him to make them believe he is able to enforce his orders. It is not believed to be either necessary or expedient to wage an active warfare against them, but by constant supervision and by patrolling the country they may be shown that only by becoming amenable to the law will they be allowed to retain their liberty. Raids are frequently made both against the people who live in towns on account of their acceptance of the law and against one another on account of old feuds, the origin of which are obscure, but nevertheless very real. These result in many persons being killed, and in order to check them a mobile force is necessary because of the rugged character of the country. In order to make these people understand the aims and intentions of the government and to instruct them in the laws and obligations that go to make up a law-abiding community, patience, tact, a just and firm administration, coupled with a disposition and ability to enforce all orders promulgated for the general good, are necessary.

Through the medium of padrones or lists of the inhabitants of the settlements and rancherias an approximate census of the population of the subprovince has been obtained. Owing to the disposition of many of the wild tribes and the topography of the country in which they live, it is not presumed that the census is complete or exact. In some parts it is impossible even to make an attempt to arrive at any idea of their numbers, but it is hoped that within a reasonable time this work can be carried to completion.

The subprovince found in operation a local form of government, with recently appointed authorities, the majority of whom have been continued in their respective offices. These men have been instructed along more advanced lines and held to a stricter performance of their duties by a close personal supervision. In consequence it is believed that local conditions have been considerably im-

proved, some abuses corrected, individual rights given more protection, and the liberty of action of the people extended. A few simple ordinances for the improvement of local conditions have been drafted and are being enforced by the presidents of the various towns. Regarding disputes, the old local customs are adhered to as far as they are compatible with the law, and an earnest effort is always made to arrive at an amicable agreement without resort to a court of law, except in crimes of a public character.

Some progress has been made in the improvement of the towns; streets have been laid out and graded and a simple system of surface drainage provided. Small areas of vacant land in the vicinity of each town have been brought under cultivation and an effort has been made to teach the people the value of varied crops and the use of improved methods of working the land. Considerable attention has been paid to showing them how to avoid being deceived in the matter of weights and measures and the use of currency and its purchasing power has been explained to them wherever and whenever possible.

Some little improvement has been made on the trails and a permanent bridge on piling has been thrown across the Mangima River on the main trail. This bridge, 170 feet long, protected by a strong railing and roofed with cogon, was constructed by the natives under my supervision.

A building for provincial offices and a jail have been erected at the capital, also a building for use as a market as soon as conditions warrant it, and two schoolhouses. While not pretentious, being built of materials in general use in this section of the country, they are well adapted for the present need and purposes intended. Other towns have erected schoolhouses, and several new municipal buildings are underway. Church property has been safeguarded, and in some instances repairs have been made voluntarily. An effort has been made to aid physical conditions by the distribution of simple remedies and the treatment of wounded persons, and whenever murders have been reported the guilty party has generally been apprehended or eliminated.

AGRICULTURE.

The land contained in the subprovince is well adapted by reason of its situation and the character of its soil to the successful raising of palay, millet, corn, coffee, cacao, aglay, sesame, maguey and abaca, cotton, both tree and bush, and various garden produce. Tobacco can be raised in almost every section, but the best grade is grown on the upper slopes of Mount Quitanlad and in the vicinity of the town of Impassu-ong. Sugar cane grows luxuriantly, while camotes and gabe grow plentifully and form the chief source of subsistence between planting and harvest time. Three crops of corn have been taken off the same piece of cultivated land and two crops of upland rice can be raised during the year. Wherever plows are in use and the land is worked good crops are raised, although the scarcity of animals and the presence of locusts make the raising of cereals such a difficult and hazardous undertaking that rarely a sufficient amount is raised to form an adequate food supply. In the mountainous and wooded sections the Manobos raise good crops of palay and maize and plenty of camotes, which they trade to the people of the settlements for cloth, etc. Besides cereals, cabbage, lettuce, eggplant, peas, beets, turnips, radishes, and various tubers are raised. Melons, squash, and cucumbers are grown by the natives and improved varieties have done well.

Among fruits may be mentioned almost all species known in the Philippines. There are mangoes, grape fruit, bread fruit, lanzones, oranges, and lemons of natural stock and improved varieties.

A class of cotton called sangleoy or gapas has attracted some attention. This grows on bushes from 4 to 6 feet high with fairly large branches, and produces plentifully; the lint and seed are easily separated, a strong coarse cloth being woven from the fiber. Experiments with American seed have resulted in healthy plants and good-sized bolls, but no report can be made at this writing.

For coffee and cacao the country is very favorable. In those sections where coffee is grown in any quantity it is set out like forests, little if any attention being paid as to regularity or necessary distance in planting. It is of a quality superior to that of any other section of Mindanao, being large, well shaped, and almost translucent around the edges. Cacao is not grown in such quantities, mainly on account of its delicacy and the care necessary to its cultivation;

that which is grown is of good quality, although the natives are not careful enough as to its being matured before picking. These two products are consumed in the local market, although the Chinese of Misamis Province ship some to Cebu and Manila. Apparently there has never been any attempt made to encourage the planting of these important products; the trader only handled them as a side issue and paid but little for them, in fact there is no quotation in the stores at the seacoast and the Chinese traders treat it as a favor to the seller to receive coffee or cacao which tends to discourage further planting. An earnest endeavor is being made to increase the area of food products and the planting of coffee and cacao, and in teaching the people the benefits that will accrue to them by improved methods in the cultivation and care of same.

Abacá has always been considered the great resource of the country to the exclusion of the farming of food products, and grows readily in all sections without care. The amount of labor necessary in pulling the fiber and the great amount of time spent in transporting it to market, which keeps the few animals they have on the trail, gives the native very little time for other work if so inclined.

As regards the output of products there are no certain data, but it is safe to say that from 4,000 to 5,000 piculs of abacá are produced yearly, in fact approximately two-thirds of the abacá shipped from Misamis Province is grown in the subprovince, a considerable part of it being owned by seacoast people. It is impossible to estimate the output of coffee and cacao.

COMMERCE.

In this respect the subprovince depends almost entirely on native traders from the seacoast of Misamis Province as there is no port or town with commercial facilities within its confines. The principal article of export is abacá. Coffee and cacao are also exported in small quantities. Fish netting is woven from abacá fiber and sold in considerable quantities. Gutta-percha is also found and considerable quantities have been exported. Low prices, however, are now prevailing and the exports have accordingly decreased.

NATURAL RESOURCES.

These consist of a large area of very fertile land, well watered, of extensive forests of good timber, of forest products such as gutta-percha, bejuco of all kinds, almaciga and other gums, cinnamon bark, beeswax, etc. Traces of placer gold have been found in several rivers. The climate is healthy and equable.

MANUFACTURES.

These consist of home productions of fish netting, sinamay, cloth made from sangley or bush cotton, and some iron work, principally bolos.

INDUSTRY.

The chief industry is agriculture, particularly the cultivation of abacá.

ECONOMIC CONDITIONS.

The economic conditions of this subprovince are such as might be expected in a primitive agricultural country with no legitimate business or industries. There exists no division of labor. The primitive method of communal work makes it impossible for a man to devote himself solely to the practice of one kind of labor, although some advancement is being made along this line. In the building of houses, the clearing of the timber, and in public work the whole community turns out.

The lack of animals, the previous proximity of the timber lands, the ease of planting abacá, and the continual urging to plant this product they have received, together with the ease with which credit can be obtained on growing hemp, has worked to the detriment of other crops. The natives have become accustomed to depend for food and clothing almost solely on hemp.

The credit system rules in most elaborate form. The native was coaxed to owe the trader. Competitors also gave credit to the man until he was loaded down with debts. Many ran away from the settlements in order to escape the pressure that was brought to bear in their collection.

Continued clearing of the forest land has moved back the timber line very appreciably. This harms a great resource, as it becomes difficult to erect new houses or even to repair the old ones. The planters become accustomed to living on their sacombs or clearings, which have become almost inaccessible. In this way the community becomes separated and the people return to their savage and primeval ways of living, and the productiveness of the country diminishes accordingly.

The means of communication are not good, mainly because of the lack of a guiding hand in former years, but some work is being done along the main trail and the connecting roads between towns are being improved.

Business has been one of barter entirely. All values, indemnities, fines imposed by their jusays or local courts have been counted in brazas of cloth. The trader did not wish money in exchange for his goods, nor did he have it wherewith to purchase their products. This lack of a medium of exchange has tended greatly to retard progress in not giving the natives an opportunity to choose or learn the use of new articles.

The continual clearing and changing from their old sacomb to a new one causes wastefulness not only in the use of land and timber but of all their resources. They are unable to care for any quantity of property, so leave it to be lost or ruined.

It is proposed to extend the settlements into the cogon lands and to cultivate the land in the vicinity. At present the settlements are groups of houses built close together, their clearings and plantations being sometimes a long distance away. By the plan under consideration a real settlement would be formed, the people living far enough apart to have sufficient land to grow plenty of varied crops. Division of labor would naturally follow by the creation of the necessity.

Considerable progress would thus be made in the reforestation of the country which has been denuded, by the exercise of some control over the cogon fires, and it would then be possible systematically to combat the locust pest which is responsible for an alarming destruction of the food crop.

FINANCES.

They are at present provided for by the insular government.

PUBLIC INSTRUCTION.

Public instruction is at present represented by 4 schools in as many towns with a teaching force of 9 native teachers and an American supervising teacher recently appointed. As only a short time has elapsed since the establishment of these schools no extensive report can be made at this time. Rudimentary English is taught to 2 grades and stress is laid on industrial work. Some agricultural and industrial tools have just been furnished by the bureau of education, and at this writing are en route to the capital for distribution.

POLITICAL CONDITIONS.

None of the people's own making.

PUBLIC HEALTH AND SANITATION.

Owing to the open character of the country and the sparseness of the settlements little can be said on this head. Regulations to improve the sanitary conditions of the towns have been put in force. On account of careless habits, poverty, and modes of living consumption is present to a considerable extent, while at the same time there are many hale and hearty old people. Ignorance, lack of skilled attention, and proper nourishment are responsible for a large infant mortality. Youthful marriage and intermarriage between close relatives causes weekly constitutions among offspring. There are 9 known cases of leprosy which have been quarantined and reported to the provincial board for disposition.

NONCHRISTIAN OR PAGAN TRIBES.

Bokidnon (Buquidnon) means mountaineer. Some of the true Bokidnon have been Christianized by the Jesuit fathers, others are pagans. The Bokidnon seem to be a collection of small tribes amalgamated by intermarriage, the language and customs showing some slight difference between the several towns. The term manobo is used to refer to the dwellers in the mountains and forests along the Pulangui River; they are nomads and live in trees. These again are differentiated according to the territory in which they live, and comprise the Tigwahanon, the Bobanauanon, and the Pulangulon, with many from Omayon who correspond to the Atta, of the Bagobo tribe. They show physical differences. The pagans along the slope of the Quitanlad Mountain are called Paglong, and are very different from the dwellers in the towns. They use a dialect peculiar to themselves and speak in a loud and aggressive manner. The Paglong and the Manobos grow food crops mainly and supply the forest products. There are also in the lower part of the subprovince a number of Maguindanao and Lanao Moros, mostly refugees. They are not close observers of the Mohammedan rites.

Very respectfully,

FREDERICK LEWIS,
Lieutenant-Governor Subprovince of Bukidnon, Agusan.

REPORT OF THE GOVERNOR OF ALBAY.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF ALBAY,
Albay, July 1, 1908.

SIR: I have the honor, in compliance with the provisions of Act No. 1044 of the Philippine Commission, to submit the following annual report for the fiscal year ended June 30, 1908. In view of the many difficulties I encountered in gathering the data hereinafter transcribed, and of the fact that I did not assume the office of governor until March 2, 1908, it is possible that this report will be found deficient in details.

GENERAL CONDITION.

During the fiscal year we have not had to record any disturbance of the profound peace and tranquillity enjoyed for the last few years and in none of the municipalities or barrios has there been any occurrence affecting the public order. Since the capture and surrender, during the previous years, of the bands which infested the mountains of this province; since the recent capture of Apolonio Guinaja, a criminal who was a brigand during the Spanish rule and committed depredations in the eastern part of this province, and since the capture of Francisco Hugas, a fugitive from the provincial jail who used to steal cattle throughout the province, we have not had within the boundaries of Albay any organization or band of evil doers, nor have our mountains and forests been infested by any notorious outlaws or brigands. From time to time information has been received regarding depredations of scant importance; but as to raids made by bands of robbers, the writer can assure you that none have been recorded during the fiscal year, and it may be said that the existence of bands of brigands in this region has passed to history, notwithstanding the province of Albay, with its mountains and its vast forests, offers a wide and appropriate field for evil doers and criminals.

The late elections for delegates to the Philippine Assembly and for provincial and municipal offices were hotly contested; but the principal incentive was a difference of opinion regarding the capacity of the several candidates to discharge and perform the duties of the office which they desired to occupy. After the campaign all animosity between the candidates and the voters disappeared and good relations were reestablished between them. The reason, perhaps, was that with a few exceptions none of the inhabitants of this province belong to the political parties existing in Manila and in other provinces.

Caciquism (bossism), that pernicious social cancer, is gradually disappearing because the inhabitants are carrying into execution their fervent desire to educate themselves.

The same can be said of fanaticism, which now prevails only among those people who have not sufficient culture and enlightenment to comprehend the disastrous effects of this evil from a moral and social standpoint.

Generally speaking, all of the inhabitants of the province are contented and satisfied with existing conditions, except with their financial plight, because they are all suffering the disastrous effects of the reduced price of abacá in the market. Notwithstanding the financial crisis from which we have been suffering for some time, all the inhabitants, like good citizens loving peace and order, are living tranquilly in their homes, busy with looking after their interests and the education of their children.

The municipal administration is, as a rule, excellent, and the resolutions and municipal ordinances passed by the councils indicate that the officers whose obligation is to watch over the welfare of those governed by them are doing their duty religiously, are gaining the confidence of the people, and are earning the applause of the citizens who cast their ballots in their favor.

What has been said of the municipal officers can be applied to the municipal police which watches over peace and order in each municipality, obeying and enforcing the laws and ordinances in force in the same.

The constabulary, whose second district headquarters is at the capital of the province, is maintaining the most friendly relations with the people and the provincial and the municipal officers.

The provincial board, two of whose members are elected by the people and one appointed, performs its functions with great regularity and efficiency, demonstrating that the policy adopted by the Government of giving the provinces greater autonomy in the administration of their own interests has been productive of entirely satisfactory results.

Mention should be made here of the complete harmony and cordial relations existing between the members of the provincial board, who, in the consideration of the matters submitted to them for action, have shown true interest in the province and have always acted with impartiality and rectitude. With very few exceptions, the resolutions adopted by this body have been unanimous.

AGRICULTURE.

Agriculture, the principal source of wealth, though not in a flourishing condition, has notably improved during the fiscal year.

The following are the principal products in the order of their importance:

Abacá.—All of the municipalities grow on a larger or smaller scale abacá, their principal source of wealth. The abacá plantations which suffered the effects of the destructive typhoon which swept over them in September, 1905, have now fully recovered, and the production during the fiscal year has been quite abundant and much greater than that of the years 1905-6 and 1906-7. It is to be regretted, however, that the prices of abacá in the market have fallen off in an alarming manner, so that in April and May last the commercial houses of Legaspi and Tabaco offered as low a price as ₱8 for a picul of abacá. This great fall in the prices of abacá has caused general discontent and discouragement among the agriculturists, who, being unable to cultivate their rice fields to any advantage because of the scarcity of draft cattle, had devoted all their efforts and energy to the production of a larger quantity of abacá, in the belief that the prices of this textile would never fall below ₱15 per picul. What the agriculturists gained by the abundance of the production they lost by the excessively low prices paid for their output.

The Government, whose obligation it is to watch over the welfare of the country and its inhabitants in general, should not look with indifference upon this crisis now affecting abacá, which, because of its indisputable commercial value, is doubtless the most important product of the Philippine Islands. It should adopt such measures as it may deem adequate for its protection, if it does not wish to see essentially abacá-growing provinces, like Albay, plunged into dire distress at a day not far off. There is no doubt that if the prices of abacá remain as extraordinarily low as they are at present, its production, however abundant it may be, will never suffice to satisfy the necessities of the producer and of the stripper, considering the present excessive prices of the articles of prime necessity.

Rice.—This cereal is grown in many municipalities, but its production has never been sufficient for local consumption.

Much rice land has been cultivated during this fiscal year, but a large area is still unproductive, because of the scarcity of draft cattle. The harvest has

been more abundant than that of previous years, and it is hoped that the cultivation of this cereal will improve in the future if rinderpest and similar diseases cease to cause ravages among the few cattle which now remain.

Copra.—Many coconut trees have been planted during this year, which has increased the numerous plantations already in the municipalities, whose inhabitants do not attach much importance to copra, because of the work necessary for its preparation and of the small price paid for it in the market.

It is alleged that the production of copra has been less abundant during this than during the previous years, and this is due not only to its low price, but to the earthquakes and seismic movements in November, 1907. It is said that the earthquakes shake the coconut trees with such force as to render them barren for a certain time.

Cacao.—Cacao is also grown, but only on a small scale. Its production during this year was insignificant and barely sufficient for local consumption, like that of other products, such as sugar cane, pineapples, corn, potatoes, camote, gabe, bananas, etc., which were also grown, but in limited quantities only.

COMMERCE.

Commerce is in the hands of foreigners, and is confined to the exportation of abacá, copra, and coal, and the importation of rice, meat cattle, petroleum, textiles, salt, and other articles of little importance.

The following firms are established in the principal ports of this province: Smith, Bell & Co., Warner, Barnes & Co., Compañía General de Tabacos de Filipinas, Gutierrez Hermanos, Venancio C. Díaz, Eleuterio Díaz & Co., and Yap & Co. (Chinese).

The steamers and other vessels of the firms just mentioned are engaged in the transportation of the products and articles exported from and imported into the province. It is estimated that during the fiscal year 420,000 piculs of abacá and 40,000 piculs of copra were exported.

It has been impossible to obtain data regarding the quantity of coal exported; but it is believed that it was quite considerable, in view of the fact that during the year 32 coal claims were being worked, in addition to the mines of the military reservation on Batan Island.

The rice imported is estimated approximately at 400,000 sacks. In the absence of precise data, I can not state the number of neat cattle and the quantity of petroleum, textiles, and other articles imported, but they were probably not considerable.

INDUSTRIES AND MANUFACTURES.

Industry is still in a primitive state. The methods of preparing abacá and copra are antiquated and primitive, and although it is true that we have 6 machines of recent invention for cleaning abacá, yet for various reasons, and the difficulty of transporting them to places where the abacá has to be stripped, they have ceased to work.

The principal industry is the manufacture of beautiful textiles of sinamay. No improvement or development has been observed during the year, owing to the small demand on the Manila market, which required considerable quantities in former years.

Hats of nito and buri are also manufactured, but only in sufficient numbers to cover local consumption.

In the municipalities of Libon, Polangui, and Oas, and in the Daraga district, of Albay, there are hydraulic mills for the hulling and preparation of rice for consumption. These have been working during and after the rice harvest.

The municipalities on the coast are engaged in fishing, but the methods employed are antiquated and primitive.

Manufactures.—These are still of little importance, and of those existing none deserve mention except the two coconut wine distilleries in the municipalities of Camalig and Guinobatan. The wine made finds a ready market among the masses of the people, and the output is barely sufficient for local consumption.

NATURAL WEALTH.

Forestral wealth.—There is a large variety of timber of all classes in the virgin forests, especially in those of Catanduanes Island, where there are trees of colossal dimensions, both in height and circumference.

Minerals.—The only coal mines of the several in the various parts of the province, which are now being worked, are those of the islands of Batan and Rapu-Rapu. Geologists who have analyzed the coal taken from these mines have given a favorable opinion, declaring that it competes in quality and class with that of other countries. The exploitation of coal mines is awakening a great deal of interest in the province, and during this fiscal year 32 coal claims, all of which are at present being worked, have been recorded.

Thermal springs exist in the municipality of Tiwi and, according to the testimony of many patients who have been cured by the use of their waters, have undisputable medicinal qualities. It is believed that the establishment of baths there, as at Sibal, would give completely satisfactory results.

ECONOMIC AND FINANCIAL CONDITIONS.

The economic condition during the year has not been very encouraging, owing to the deplorable effects of the great fall in the price of abaca and of the high price of rice. The economic crisis through which the province is passing is very deplorable, but, thanks to the public works now being carried on, such as the construction of buildings and bridges and the repair of wagon roads, it has been possible to increase somewhat the scant amount of money in circulation and to enable laborers, who belong to the masses of the people that suffer the most intensely from the rigors of the present abnormal conditions, to earn a sufficient wage for satisfying their most pressing needs.

Notwithstanding this state of affairs, the municipalities are getting along satisfactorily and do not lack money in their treasuries for their necessary and indispensable expenses. The municipality of Tabaco has found it necessary, in order to adjust its expenditures to its receipts, to reduce its budget by introducing certain economies.

The condition of the provincial exchequer is satisfactory. During the year it has been able to meet all its liabilities and to set aside a part of its funds for certain improvements which will be hereinafter mentioned. According to the annexed report of the provincial treasurer, the total receipts amounted to ₱334,951.48 and the expenditures to ₱197,446.95, leaving a balance on hand in the provincial treasury of ₱137,504.53.

PUBLIC INSTRUCTION.

Public instruction throughout the province was satisfactory to all, especially to the government, which endeavors by all means possible to diffuse the brilliant light of education everywhere in the Philippine Islands.

I note with great satisfaction that the people and the municipalities of the province have taken advantage of the Gabaldon Act, which provides for the construction, subject to certain conditions, of schoolhouses in the barrios. This measure fully responds to the laudable purposes of the government with regard to the education of the masses, and the people do not view this wise measure of the constituted powers with indifference, but, on the contrary, are deeply grateful for it and endeavor to show to the government their noble desires of educating themselves and of acquiring in the public schools the knowledge necessary to become with time good and excellent citizens.

Primary schools have been opened in all the municipalities. There are 23 central and 68 barrio schools, a total of 91 schools of primary instruction. Classes of the fourth grade have started in all the municipalities, except in three small ones in which there was a lack of sufficiently advanced pupils.

At the end of the school year, 294 pupils passed the graduation examination of the primary course.

Intermediate schools have been opened in the municipalities of Albay, Ligao, Tabaco, and Virac, and are attended by a considerable number of pupils who have passed the primary course. During the school year and at its end many completed the intermediate course and have gone to Manila to continue their studies at the Normal School, Agricultural School, and School of Arts and Trades. It is believed that as soon as the construction of the buildings for the intermediate schools at Tabaco and Virac shall have been completed and the intention of constructing a new high school and two dormitories for pupils of both sexes shall have been carried into effect, it will be possible to give a greater impetus to public instruction in this province.

Secondary instruction courses have not been undertaken in any but the provincial high school, situated at the capital of Albay. During the school

year, 14 pupils enrolled in the first course of the first year, and 19 in the second year.

The teaching corps is made up of 18 American, 12 Filipino insular, and 154 Filipino municipal teachers. With very few exceptions, they have all rendered satisfactory services, and the progress made by the municipal teachers in the pedagogical science is all that can be desired, while as a body they merit the full confidence of the government. The province may well be proud of this band of young men and women in whose hands lie the destinies of the coming generation.

The greatest difficulty encountered in the matter of public instruction in its onward course in this province is due to the fact that there are very few adequate school buildings in the municipalities, but this difficulty, or rather deficiency, will be remedied in time, as much interest is shown by both provincial and municipal officers relative to the construction of modern and adequate buildings for public instruction. The municipalities of Tabaco, Libon, Virac, Bacacay, and Albay intend to construct central schoolhouses during the coming fiscal year.

In order to give a greater impetus to public instruction, the writer recommends the passage of an act making public instruction compulsory. In many municipalities the attendance is rather small and irregular, and I believe this is a matter which merits special attention on the part of the Philippine Legislature.

NONCHRISTIAN TRIBES.

A small tribe of Negritos exists in the mountains of Tiwi and Polangui. They are people of good character and peaceable customs, and maintain the most cordial and friendly relations with the inhabitants of the municipalities, who employ them as laborers in the abacá plantations situated in the mountains within their jurisdictional limits. No other tribe is known to exist within the boundaries of the province.

PUBLIC HEALTH.

During the fiscal year the death rate has been 22.19 to 1,000, and the birth rate 47.07. With this death rate, and with a population of 239,438, the total number of deaths has been 5,313, and the total number of births 11,270, which gives a natural increase of the population of 5,957.

A great number of these deaths were due to causes which could well be prevented or remedied. During this fiscal year 928 deaths were caused by the disease known as malaria, 513 by convulsions in children, and 331 by tuberculous diseases, the percentages being 27, 13, and 8, respectively. Smallpox appeared at Tabaco in January; but, owing to the vaccinations by the municipal board of health, disappeared immediately and there were only 5 deaths, of persons who had not subjected themselves to immunization. Aside from smallpox, no contagious disease has been recorded, notwithstanding the almost constant menace of the cholera in localities bordering on the province. During the fiscal year, 270,030 persons were vaccinated in this province, the percentage of successful vaccinations being 53. The vaccinations were commenced in the municipality of Tiwi, on May 24, 1907, by a force of 23 expert vaccinators, who had instructions to proceed to vaccinate all the inhabitants of each municipality, from one month of age upward. These vaccinators also have instructions to act as sanitary inspectors and endeavor to put each municipality into the best state of sanitation possible. The work of vaccination in the municipalities of the province, exclusive of those belonging to the subprovince of Catanduanes, was completed in the month of February last, and the force of vaccinators received orders to go to the province of Ambos Camarines to complete the work begun there. On April 22 last these vaccinators returned to this province to take up the work of vaccinating the inhabitants of the islands of Catanduanes and Rapu-Rapu; but on May 20 following the work was ordered suspended because immunization took effect in only 5 per cent of the persons vaccinated. The vaccinators, however, succeeded in vaccinating 2,486 persons on the island of Rapu-Rapu prior to receiving this order, and 26,807 persons were vaccinated on the island of Catanduanes during the same period. During the month of January last 317 lepers were gathered together in this province and taken to the Cullon leper colony for treatment. It is presumed that the province is now free from lepers, because all possible endeavors have been made to locate all

therein. It is said, however, that on the occasion of the reconcentration of the lepers on the island of Catanduanes persons suffering from leprosy were concealed, and that the work of reconcentration and the desire of the Government to sanitize all the islands were thus frustrated. It is known that there are still 3 lepers on the island of Catanduanes, 2 of them in the municipality of Virac and 1 at Calolbon. The district health officer has now under consideration the question of how to gather together for shipment to Cullion these and 2 others still remaining in the municipalities of Polangui and Guinobatan, who were discovered after the departure of the steamer to the island of Cullion.

The practice hitherto followed of removing the remains of buried bodies in order to bury others in their stead is being given up as rapidly as possible. Nearly all the cemeteries of the several municipalities have been in continual use during many years, so that the surface of the land serving as cemetery is completely saturated with human remains. After a careful personal inspection, the district health officer has recommended the closing of the Catholic cemeteries situate in the municipalities of Malinao, Tabaco, Libog, Albay, Camallig, Guinobatan, Ligao, Oas, Polangui, Libon, and Virac, and in view thereof new ones have been started in the municipalities of Tabaco, Legaspi, Ligao, Oas, and Libon, all of the latter having been duly inspected as to the requirements of Act No. 1458. It gives me great satisfaction to say there has been a great reduction in the death rate in comparison with that during the fiscal year 1907, which was 26.77 to the 1,000. Satisfaction is also caused by the fact that the province has been free from epidemics and diseases of any character, notwithstanding the presence of contagious diseases in the adjacent provinces.

In general, the state of public health and hygiene is excellent, and it is believed that this satisfactory state of the public health will last for a long time, unless the province should be invaded by some disease of an epidemic character.

PROVINCIAL JAIL.

The number of prisoners confined in the provincial jail approximated 23 per month, the smallest number, 14, being in November, 1907, and the largest, 30, in June, 1908.

In view of the work now being done on the provincial jail, which will soon be converted into a provincial building, the prisoners are at present confined on the ground floor of a private house rented by the province. The condition of this house is not the best that could be desired, but the prisoners, being outside of the jail every day, working on public improvements, do not suffer the effects of the unsanitary condition of the house and generally enjoy good health. On the other hand, work will soon be completed on the new provincial building, the ground floor of which will be used as jail, and the prisoners will then be transferred to the provincial jail proper, which is one of the best to be found in the Philippine Islands because of its good hygienic condition, security, capacity, and construction. The jail is managed by the following personnel: One warden, with a monthly salary of ₱60, and eight guards, with a monthly salary of ₱25 each. Notwithstanding this small number of the personnel, discipline has always been maintained in a satisfactory manner among the prisoners.

PUBLIC WORKS.

The province has undertaken various works of peremptory necessity, adjusting its expenditures to the financial condition of the provincial treasury.

The principal works carried on by the province during the fiscal year are: The provincial building of two stories, occupying a space 160 by 136 feet. This building will contain all the provincial offices, including those of the district engineer, division superintendent of schools, and district auditor. The walls of the old provincial jail have been used as the lower story of this building, the contract for the construction of which has been let to Messrs. B. W. Cadwallader & Co., for ₱73,000. The work is being actively carried on, and 80 per cent of it had been already completed on June 30.

Simultaneously work is now progressing on the building for the second district headquarters of the constabulary, to be two stories high and occupying 96 by 96 feet. It is being built of reinforced concrete and timber of the first group. The walls of the former provincial building, constructed by the late Spanish government, have been utilized for the walls of the lower story, which will contain offices, barrack rooms, halls, baths, etc. The contract has been let to Messrs. B. W. Cadwallader & Co., for ₱48,244, to be paid from the funds

of the insular treasury. Seventy-five per cent of the work on this building had been completed on June 30.

Over the Banao River, near the municipality of Guinobatan, a bridge of reinforced concrete is now being constructed, to be called "Governor Reynolds Bridge," and will take the place of the old Banao River Bridge, destroyed by an earthquake in the year 1864, four years after its completion. The work is being carried on under the "day-labor plan," and, as everybody knows, the insular government has granted the province a loan of ₱40,000 for its construction.

The provincial board has appropriated ₱300 for repairs to the plaza of Albay, which has been neglected for many years. The José María Pefiaranda monument, erected in the center of this plaza, and the stone walls surrounding it are in an excellent state of preservation.

In addition to the public works mentioned in the preceding paragraphs, the province has completely reconstructed the Legaspi-Libon wagon road, which is considered a first-class road and measures 49 kilometers, and the Legaspi-Gogon wagon road, 3 kilometers long. The work of reconstructing the Tabaco-Ligao wagon road has been going on for two months, and a large part thereof is in a good state of preservation.

The present system of preserving the wagon roads by the employment along the same of peones camineros, who are under the supervision of cabos camineros, the latter being inspected on their part by a foreman under the orders of the district engineer, is giving excellent results from an economical point of view, as the province is not compelled to spend therefor large sums of money, as would otherwise be the case. The camineros are obliged to inspect the road under their care and to repair the parts in bad condition from rain or the continuous passing of carts.

There being little funds in the provincial treasury, the Legaspi-Tabaco wagon road is in the same condition as before, and the portion of it which connects Legaspi with Libog is in such a bad state as to render it impassable for any kind of a coach. The part between the municipalities of Libog, Malillipot, and Tabaco only needs certain repairs, but it is thought these will cost a considerable sum, which the province can not at present afford. The necessity of repairing the Legaspi-Tabaco wagon road must be evident to all as tending to the development of the commercial as well as of the social relations between the municipalities of the Tabaco region and those bordering on the port of Legaspi.

For the reasons just mentioned, the provincial board has now under consideration the repair of the Legaspi-Tabaco wagon road, setting aside for this purpose part of the funds to be appropriated annually under Act No. 1815, which provides for the remittance of the indebtedness of the province to the insular government, under certain conditions.

CONCLUSION.

In closing I again earnestly recommend to the government the necessity of protecting the most important article of the Philippine Islands, abacá, so as to prevent the provinces producing this filament from suffering bankruptcy, in the event of the continuance for a long time of the excessively low prices in the market.^a

Respectfully submitted.

DOMINGO SAMSON,
Governor of the Province of Albay.

The GOVERNOR-GENERAL.

^a A table of receipts and expenditures has been omitted from this report and is on file in the Bureau of Insular Affairs, War Department.

Report of the lieutenant-governor of the subprovince of Catanduanes, province of Albay.

[Translation.]

OFFICE OF THE LIEUTENANT-GOVERNOR,
SUBPROVINCE OF CATANDUANES,
Virac, June 30, 1908.

SIR: A people like that of the subprovince of Catanduanes, sedentary until now in the cause of its biological evolution, offer very few facts suitable for an annual report.

But this people should be and are the favorite subject of history, so that the government, knowing the causes that retard them, may prepare the remedy and snatch them out of their sad and apocalyptic prostration.

It is a truth that this subprovince has not evolved any of the manifestations of the life of a people. It is the same as it was a century ago; the same in the idiosyncrasy of its inhabitants, with their embryonic agriculture and industries; with the absence of agricultural machinery and work animals; with the commerce always manipulated by foreigners (Chinese in their majority); with the absence of permanent bridges, well-repaired highways and local roads; without public buildings in good condition; without schoolhouses in various municipalities and in nearly all the barrios, and, finally, in its ardent desires to progress.

PROVINCIAL PERSONNEL.

On July 31, 1907, I was appointed lieutenant-governor of the subprovince, and on the morning of that day took possession of the office.

Under the wise direction of the provincial board of Albay, I have been administering this subprovince for two hundred and eighty-three days of the fiscal year.

POPULATION.

The present population of the subprovince is not less than 40,000, there having been an increase of more than 7,000 since the last census.

The increase is due to the excellent state of the public health during the last few years and to the continued immigration of numerous families from the pueblos situated on the slopes of Mount Mayon.

The western part of the island is the point of arrival of these families, and what were only settlements of fishermen and manufacturers of articles from rattan, have now become barrios of the municipalities of Calolbon and Pandan, governed by tenientes appointed in accordance with law.

These barrios, which are Maygñauay, Manambrag, of the municipality of Calolbon; Gitoma, Jobong, and Bocon, of the municipality of Pandan, think of consolidating themselves into an independent municipality with Manambrag for the residence of the authorities.

MUNICIPAL AUTHORITIES.

The five municipalities that compose the subprovince are duly administered by competent officials and their administration could not be better, owing to the good relations between the public officials and the people.

The five justice of the peace courts established in the municipalities are presided over by wise justices who, by the equity of their acts, constitute the real guaranty of the citizens who have freely enjoyed their rights as caciquism, which made the complete triumph of true democracy impossible, has been, fortunately, prohibited.

AGRICULTURE.

This branch of production, so intimately connected with the lot of a people, has not prospered, as was to be expected, and its prostration became greater by the destruction of the work animals.

Of the mountain lands, both agricultural and forestal, scarcely one-sixth is duly cultivated. Extensive uncultivated areas are seen among the rice lands which, prior to the first outbreak of rinderpest in the year 1900, produced goodly crops.

There are various reasons for the backwardness of agriculture, the principal being:

(a) The lack of a sufficient number of laborers, without whom it is impossible to cultivate the soil properly.

(b) The little activity of the few agriculturists, who, save rare exceptions, in daily increasing number, scarcely concern themselves with the question of the morrow.

(c) The want of roads to facilitate the conveyance of products to market.

(d) The little care shown to take advantage of the waters of the rivers and creeks which cross the fields and are not diverted from their extensive courses to fertilize the lands.

(e) The imperfection of the agricultural implements used until now, and the fact that no agriculturist has modern ones.

(f) The want of private capital, which the agriculturist is obliged to obtain at an exorbitant rate of interest.

Without the efficient aid of section 10 of Act No. 1835, there is no salvation possible for the agriculture of Catanduanes.

Up to the present, three principal products only are known: Abacá, copra, and rice. Innumerable articles of produce exist, but are of slight importance and will be considered in speaking of the natural resources.

At the beginning of the reduction in price of abacá and copra the agriculturists engaged in the production of abacá ceased to plant the same and diminished its production.

If all the rice fields were carefully sown by modern agricultural implements, and if abacá and copra commanded good prices, Catanduanes would reach the pinnacle of its economic prosperity. With the rice, in conjunction with various tubers and numerous food plants, it would not need to buy imported rice, and with abacá and copra quoted at better prices, all the needs of its inhabitants could be completely satisfied.

The agricultural bank, facilitating the acquisition of agricultural machinery, and work animals, and the establishment and maintenance of agricultural irrigation, is the sure hope of salvation for the discouraged agriculturists.

COMMERCE.

The commerce carried on in the subprovince up to the present time consists of the exportation of abacá and copra and of the importation of various articles, the chief among which are rice, salt, petroleum, cigarettes, and all kinds of cloth for garments.

Three houses, branches of those of Manila, established in Virac, handle the commerce of this island, and the importation of cloth is exclusively in the hands of the Chinese, of whom 120 are engaged in that trade. They also buy abacá and copra on a small scale, but they sell their engrossments to one or the other of the three houses mentioned.

In Virac and Bato alone there are 17 establishments open to the public and run by pure-blooded Chinese, without counting those located in the pueblos of Viga, Pandan, and Calolbon.

Knowing that abacá and copra are the sole commercial products of the subprovince, and in view of the persistent decrease in their prices, it is easy to understand what must be the financial condition of its inhabitants.

The price of abacá began to decline in February of last year, falling slowly and gradually in such manner that from July, 1907, it was already down to ₱13 a picul, and continued falling, as shown by the following:

	1907.	Peso per picul.
July	13.00	
August	13.00	
September	12.50	
October	11.00	
November	10.00	
December	8.50	
	1908.	
January	9.50	
February	9.00	
March	7.50	
April	4.00	
May	5.00	
June	8.00	

Up to the time of writing this report there is no indication of a betterment in price, and further decrease is expected.

The same luck has befallen copra, the price of which has fallen from ₱8 to ₱4 per picul.

The reduction in the price of abacá would not be so lamentable if the price of the articles of first necessity had fallen accordingly.

These present prices, so much regretted, were the best obtained during the past Spanish Government; but the articles of first necessity were then worth a half less than they are now.

It is a sad truth that while abacá dropped from ₱20 to ₱4 per picul, rice increased in price from ₱4 and ₱5 to ₱6 and ₱7 per sack. In spite of such an anomaly in prices, mercantile operations have been maintained in their ordinary course.

The three houses mentioned have during the fiscal year engrossed and exported to Manila 44,969 piculs of abacá and 2,291 piculs of copra, without counting those exported from the island by nonresident engrossers and by the landowners that are in the habit of selling their products in one of the pueblos of the districts of Legaspi and Tabaco.

These exportations are calculated at more than 6,000 piculs, which added to those of the houses named give an annual production of 50,000 piculs.

This amount of abacá, paid for at an average of the prices mentioned, amounts to not less than ₱450,000, which with the value of the copra, ₱15,820, makes a total of ₱465,820, representing the credit of the subprovince for the fiscal year.

Now let us see whether with this sum the subprovince could balance that corresponding to the articles consumed during the year. In order to ascertain this I must show the amounts of the sales effected by the merchants. The three houses mentioned have sold to the public, out of their importations, the following:

32,313 sacks of rice, at ₱6 per sack.....	₱199,878.00
3,407 sacks of salt, at ₱1.50 per sack.....	5,110.50
3,345 cases of petroleum, at ₱4 per case.....	13,380.00
210 cases of cigarettes, at ₱1.50 each.....	31,500.00
	<hr/>
	249,868.50

and the 17 establishments above mentioned (Chinese) sold goods during the year to the value of ₱394,313.35.

The two sums added together amount to ₱644,181.85, which represents the public consumption during the year, without including the sums realized from the other retail stores in the pueblos of Viga, Pandan, and Calolbon.

This sum alone against the credit of the subprovince shows a balance of ₱172,261.65, which indicates its critical financial situation.

If the lamentable combination of ambitious usurers had not crushed the abacá business, Catanduanes would have entirely covered its obligations of the year and would have saved its ₱178,361.85.

As a natural consequence of the abnormal prices, there was a decrease of more than 5,000 piculs in abacá and 10,000 sacks in rice, in comparison with the preceding fiscal year.

ECONOMICAL AFFAIRS.

In spite of the crisis caused by the loss of price of abacá and copra, domestic subsistence has been duly maintained without any case of famine having been recorded in any part of the island.

This condition is due to the fact that nearly all the pueblos have sown and harvested rice in sufficient quantities for public consumption, though not abundantly.

STOCK.

The rinderpest, which began in Baras in January, 1907, disappeared in Pandan in September of the same year, having completely annihilated the horses and cattle of Baras, Viga, Payo, Bagamanoc, Pandan, and Caramoran, with a mortality of 90 per cent.

It is worthy of observation that in this last outbreak of rinderpest the animals saved were those that survived the first epidemic, the cattle men of the said municipalities having had a revisitation of the specter of the year 1901. The stock of the southern part of the island was immune from this last attack of the rinderpest and are notably increasing.

I must also say that the mortality among domestic animals that appeared after the first outbreak of the rinderpest, caused great destruction to hogs and chickens, and that not long since there appeared in Viga a disease among horses causing slight mortality in comparison with the number of cases.

Finally, I wish to report that the statistics of deaths and births are not included, as this office has not the required data.

Respectfully submitted.

F. USERO,
Lieutenant-Governor,
Subprovince of Catanduanes, Albay.

The GOVERNOR OF ALBAY,
Albay, Albay.

REPORT OF THE GOVERNOR OF AMBOS CAMARINES.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF AMBOS CAMARINES,
Nueva Cáceres, July 18, 1908.

SIR: I have the honor, in compliance with the provisions of Act No. 1044, to submit my report for the fiscal year ended June 30, 1908.

It gives me the greatest pleasure to state that all the pueblos enjoy the most complete peace and tranquillity, and although at the beginning of the present year the brigands made an attempt to commit depredations, this was only a passing affair, owing to the well-advised measures adopted by the municipal presidents and councilors, seconded by the residents.

AGRICULTURE.

Unfortunately, the condition of agriculture has remained unchanged, owing to the causes already mentioned in my last report.

The evil is great. Great evils require great remedies, and the country in general, as well as our province in particular, are hoping for these great remedies. The causes of this prostration are known to all, and it would be idle to repeat them here; but the worst calamity that our province has suffered has been the mortality among work animals, which in this country are the carabaos. It would not matter if the neat cattle, horses, and other animals had died. If only the carabaos had remained, this mortality could not have affected the rice crop, which is the principal one, and by which is always sustained the welfare and prosperity of this province.

I have said that great evils required great remedies, and I consider it of vital importance for the country in general that a general loan of ₱50,000 be raised for the study and establishment of irrigation systems in all the rice-growing provinces and for the organization of agricultural banks to aid the agriculturist. At present very few persons are engaged in the importation of carabaos, owing to the fact that the property owners have not the money for acquiring them. Were agricultural banks established, many persons could import cattle from abroad.

When all the rice lands of this country have their irrigation system and the agriculturists have the means of acquiring carabaos, we shall have solved one of the great problems of our country. Then the land, instead of producing one crop each year, will produce two, and thus our production doubled. We will cease to be tributaries to Saigon to the sum of over ₱10,000,000, the value of the rice imported. Then this enormous sum will remain in the country and will be utilized to the benefit of its prosperity and advancement.

This loan could be paid in reasonable installments, and would in consequence not be burdensome to the country. There being prosperity, it would not matter to the inhabitants if more taxes were imposed, and they would pay with pleasure, as they would have the means, and even if the land tax were doubled, there would be no protests as at the present time.

It would not be proper and just for the present generation to pay this loan, as our descendants of the first and second generation will benefit by it. We must take into consideration, further, that if we expect prosperity from our own scant resources, in the present precarious condition of our country, we shall never obtain it and must be glad to drag ourselves along without having to go backward.

The inhabitants are in part responsible for this state of affairs, as they did not take such steps as were within their power when they saw their labor cattle suddenly disappear; which was due to their apathy and to their idiosyncrasy, the result of the education received by them, to the patriarchal life which they have always led, and to their custom of not worrying about anything. Another of the causes was that there had never been any calamity as enormous as that from which they are now suffering; at least there is no recollection of any. Finally, our climate and the few necessities of the people have also contributed to this state of affairs. Nevertheless, for the past 3 years the inhabitants have exhausted all the means within their reach to work their fields, making all the use possible of the few carabaos still remaining, and those without carabaos have cleared patches of woodland and planted hill rice and other articles, such as cocoanuts, corn, and sugar cane. I have seen this on my official visits; but it seems that Providence has not yet ceased to send scourges, because after the work had been done and when the time had come to gather the fruits of their toil and fatigue, another calamity occurred in the shape of rats and nocturnal animals which, in one night, can destroy extensive fields of rice ready for the harvester, and thus the fruit of the great efforts made in tilling their fields is again lost.

It is comforting to observe that the inhabitants suffer all these calamities with heroic resignation and do not lose courage or the hope of obtaining rich results from their labors in the near future. For this reason they persevere in their work in the fields, more enthusiastically every year; and in my opinion these efforts should be fostered and the people should be aided.

One of the causes of the paralysis of agriculture is that the carabao and other animals still continue to die off, for which reason many property owners, though they have money, do not acquire animals, because they fear, with good reason, that they might die on their hands.

PUBLIC WORKS.

This is the first time that I deal with provincial public works in my annual report, because to my great regret no work of importance was executed in this province during the first year and a half of my administration. This was due not to lack of willingness, but of funds, as my greatest desire has been that of working actively for the welfare and prosperity of this province and to show myself worthy of the confidence which my compatriots reposed in me when they elevated me to this high position. However, it is a long lane that has no turn, and fortunately we succeeded, by dint of economy, to collect some funds, and with them we commenced to repair the wagon roads, starting with the Lagonoy district.

The provincial wagon roads had not undergone repairs for some time past, and if any money was spent on them by my predecessor it was in such small sums that no good was accomplished. Adding to this the fact that there are no road laborers for road maintenance, it appears the result was nil and the expenditure in vain.

Since the occupation of this province by the Americans, only one regular repair was made on the Pasacao road, on which ₱40,000 of the ₱50,000 appropriated were expended, but it was not entirely completed and, as no road menders have been employed, it is at present in a very bad condition and one of its best bridges broke down fifteen days ago.

It must be borne in mind that these wagon roads were already in bad condition during the last years of the Spanish régime, which gives an idea of the condition in which they must have been after the American occupation, without any repair work having been done.

The establishment of the double cédula, leaving to the discretion of the provincial boards whether or not to adopt the same, was the remedy for the lack of road and bridge funds, and to it were added the 10 per cent of the revenues and a share of the ₱500,000 appropriated by the insular government for all the provinces.

By the adoption of the double cédula the province was able to gather something over ₱100,000, of which over ₱42,000 were spent on the wagon roads of the Lagonoy district, La Rinconada, and Calabanga.

For the Daet district there were set aside ₱25,600, the share of the province of the ₱500,000, plus ₱17,000 out of the provincial funds, for 2 sections of wagon road, between Daet and Indan and Daet and San Vicente, work on which will soon begin.

As I said before, the provincial wagon roads were never in such bad condition as before their present repair, and it gives me satisfaction to report that they have at no time undergone repairs such as those that have just been made, and that owing to the establishment of the camineros (road menders) with the proper material, they will not be destroyed again, but, on the contrary, as time passes the metaling will become more solid, as the camineros have strict instructions not to allow at any time the formation of the smallest hole, and to see that the ditches on the side of the roads and the drains are always kept clear, to prevent the gathering of water.

The board has again adopted the double cédula for the ensuing year and expects to have ₱150,000 for the road and bridge fund, the Legislature having appropriated ₱1,500,000 for the road and bridge funds of the provinces adopting the double cédula, and as the share of this province was ₱25,600 during the present year, it is estimated that it will receive approximately ₱75,000 of the ₱1,500,000. This will, I believe, be sufficient for completely repairing, during the coming year, all the provincial and some of the municipal roads and bridges, and in five years' time all the provincial roads and the local roads or streets of the pueblos will be completely repaired and improved, and the wooden bridges will have been replaced by bridges of reinforced concrete or of iron.

Furthermore, next year we may have the satisfaction of owning a building which will serve as a high school, and another, smaller, for an arts and trades school. The board, on my motion, appropriated the sum of ₱20,000 from the general funds for the high school, and the secretary of public instruction gave another ₱20,000, so that we have ₱40,000, with which sum I have promised to erect the two buildings. If we were to advertise for bids, I am sure that none would be forthcoming, as the Pampanga High School cost ₱48,000, and according to the architect, Mr. Parsons, he lost on the contract. Moreover, taking into account the facts that no work has been done by contract in this province, and the distance from Manila, I think there is sufficient reason for believing that no contractor would care to take the risk.

Due to your munificence, the capital of the province, Nueva Cáceres, will soon have a bridge which will benefit not only the capital, but over one-half of the pueblos of the province whose goods and products are carried thereover. Likewise I must mention the loan of ₱5,000 for the repair of the municipal building and the establishment of street lighting.

The inhabitants of this province, and of the country in general, imbued with the importance of education, and understanding that the future of our country and the attainment of our fervently desired liberty depend on it, use all means to have their children attend school, and if the attendance is small in some of the pueblos, it is due to the fact that the children aid their parents in earning their subsistence.

Next year, when the people see that a high school and a school of arts and trades have been constructed, they will be encouraged, as this will be an incentive not only for the pupils, but for the teachers as well.

I have just received a communication from the superintendent of education in which he says that the schools have opened with good attendance, and that the importance of education is to be noticed in some of the pueblos, this is of no small importance, and I hope there will be an improvement for the better.

FINANCES.

I am a agriculturist. I learn that the schools have opened with good attendance, and, although a debt of our country, importance, and I hope there will be an improvement for the better.

from which rice lands produce two, and factory condition, although the land tax has been suspended for three years, but refunded last year and nothing this.

The finances are also in a satisfactory condition, although the land tax has been suspended for three years, but refunded last year and nothing this.

Salgoon to the sum of enormous sum will produce prosperity and a

This statement is proved by the fact that after deducting the sum of ₱20,000 appropriated for the erection of a high school, there remained a balance of over ₱18,000 at the end of the fiscal year, owing to the increase from year to year in the collection of all classes of taxes.

The number of cédulas issued this year was larger than that of last, though the cost thereof has been doubled. A like result has been obtained in the collection of delinquent land taxes if a comparison is made with the year 1905 and those preceding, as will be seen from the following report of the provincial treasury.^a

COMMERCE.

Commerce continues to suffer from the tremendous crisis mentioned in my last report, and the enormous reduction in the price of abacá during the last few months, the worst being that there is no immediate hope of the price ever going up again to what it used to be, or even to a figure which would allow the property owner and the laborer to continue in the business. Comparatively speaking, the present prices are lower than those paid in the Spanish times, for the simple reason that living was not so expensive then as it is now, and though the price of abacá has gone down, the price of the rice remains steady or goes up, and so do the wages.

The provincial capital will be greatly benefited by the works projected, because I expect the bulk of the money will be spent here.

PUBLIC HEALTH AND HYGIENE.

The health of the province is satisfactory. Notwithstanding the economic crisis through which it is passing, its inhabitants enjoy a relative well-being and there is, at least, no fear of their suffering famine, the majority of them having planted quick-growing foodstuffs in compliance with the circular which I have sent to the municipal presidents and councils.

According to the report of the district health officer for the fiscal year, there have been more births than deaths, as shown by the following:

"Extract from the report of the health officer of the thirteenth district for the fiscal year 1908:

"Average of deaths and births during the three quarters: Deaths, 21.08 per thousand; births, 38.81 per thousand.

"Based on these averages, the total number of deaths and births during the entire year is estimated at—Deaths, 4,898; births, 9,019;" which shows a natural increase of 4,121.

The majority of the deaths which occurred during the three quarters were due to the following diseases:

Malarial fever	1,359, or 37 per cent
Convulsions	552, or 13 per cent
Tuberculosis	552, or 13 per cent

or a total mortality of 63 per cent, which could have been greatly reduced had the inhabitants observed the first principles of hygiene.

"No epidemic disease of any kind has appeared in this province, notwithstanding the constant menace of cholera in the pueblos which make up this health district.

"Vaccination in that part of the province which was not covered during the general vaccination was completed during the months of March and April, the general total of vaccination being 245,041.

"No case of smallpox has been recorded in this province since January, 1907.

"The province will employ a number of vaccinators for the vaccination of the persons who gave abortive results, and of the children born since the general vaccination.

"In January of this year 45 lepers were transferred to the island of Cullion for treatment and isolation.

^a A tabular statement of receipts and expenditures and a memorandum of municipal deposits on hand has been omitted, and is on file in the Bureau of Insular Affairs, War Department.

"During the year 25 cemeteries were closed within the province and 17 new ones opened under the provisions of Act No. 1458.

"A comparison of the deaths of this year with those of the past year shows a decrease of 25.30 in every thousand."

Respectfully submitted.

MARIANO ABELLA,

Governor of the Province of Ambos Camarines.

THE GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF ANTIQUE.

[Translation.]

OFFICE OF THE GOVERNOR,

PROVINCE OF ANTIQUE,

San José, July 6, 1908.

SIR: In accordance with Act No. 1044, I have the honor to submit the annual report for the fiscal year 1908.

PROVINCIAL ADMINISTRATION.

By virtue of Act No. 1545 we now have two elective members in the provincial board, and those who direct the provincial administration in this province are all Filipinos.

The change was as radical as beneficial, and for the first time the people of Antique have had direct participation in and decisive control over the administration of their common interests, by two elected officials who represent two-thirds of all the votes of the provincial board.

The former provincial board, of which the writer was a member, adopted the cedula law, and, thanks to the same, the present government can now repair and reconstruct the most of the bridges which, for lack of resources, were neglected in former years.

Upon the imposition of this double tax a belief was created that the government would not be able to make satisfactory collections, because of the crisis through which the people were, and are still passing, owing to the prospect of a poor palay crop, scarcity of money, and the mortality among work animals. But collections have been quite the reverse, and on this date, the middle of the calendar year, it may be asserted that more cedulas have been issued than in all the preceding year, and that never have the people of Antique better borne on their shoulders with patience and resignation, the burdens of more contributions for the benefit of the community.

FINANCIAL.

The province has, during the fiscal year, disposed of ₱69,095.09 of its own funds, distributed as follows:*

Our school funds have come from various sources. The ₱2,296.57 under the item "School building" is the balance remaining of the ₱6,000 obtained from the insular treasury for the erection of the provincial high school, ₱1,500 of which are due the municipality of San José de Buenavista for several lots and the municipal school building which were sold to the province, but for which payment has been withheld because of the registration of said property not yet having been completed. The ₱753.24 under the item "Library" constitutes a donation by the people to the provincial funds for the purpose of furnishing the provincial high school with a small library, the greater part of said sum having been used in the purchase of books under the direction of the division superintendent of schools. The ₱2,671.68 under the item "Arts and trades," as authorized by the governor-general on December 11, 1907, is a part of the subscriptions of the people and of some of the municipalities for the erection of a building for the school of arts and trades in this capital. This last-mentioned amount is only a part of the ₱7,500 which the provincial board promised the secretary of public instruction on his last visit to appropriate for this pur-

* This table has been omitted and is on file in the Bureau of Insular Affairs, War Department.

pose, on the assurance that the insular treasury would aid the province of Antique with a like sum with which to erect a suitable building with the total of ₱15,000.

Our expenditures amounted to ₱34,644.72, under the following items: *

At the close of the fiscal year our balance of general funds was ₱6,746.56, and of road and bridge funds ₱28,145.25, after having transferred ₱4,000 for public works, in accordance with Act No. 1815.

Our present financial condition as compared with that of previous years is undoubtedly very much better.

PUBLIC INSTRUCTION.

During the preceding fiscal year we had 63 school buildings; now we have 67, with 78 municipal, 10 insular, and 10 American teachers, in addition to the superintendent.

The following table shows the progress of the schools during the year:

Months.	Enrolled.	Average attendance.	Months.	Enrolled.	Average attendance.
July	6,964	5,668	December	5,360	4,517
August	7,460	6,425	January	7,604	6,169
September	7,946	6,792	February	8,120	7,120
October	5,654	2,076	March	8,526	7,434
November	5,710	5,240			

It is seen from the above that the attendance is very low during October, November, and December, which is due to the fact that during that period of the year almost half the pupils assist their parents in field work. Palay is harvested in October in the greater part of the municipalities from Patnongon to Pandan, and Valderrama and Dao; and in the great Sibalom Valley, which comprises the towns of San José, Sibalom, and San Remigio the palay fields are harvested in November and December.

Our children can do little or no work in the palay fields, and the 3 months of absence from the schools may cause the loss of a course and render useless all the effort of the 7 months of assiduous attendance during the 10 months of the school course. While there is no law to support the action of the local officials and of the teachers to secure constant attendance at school, it is difficult, especially in the rural districts, to make the work of the teachers fruitful during the 3 months mentioned. The heads of country families, the immense majority of whom are illiterate, do not comprehend, and it is almost impossible to make them do so, the damage they are causing the educational interests of their children by such interruption of school attendance and by sacrificing them for the little or no income which the work of their children, many of whom are less than 10 years old, brings them. But above the profit, above the desire to obtain any benefit from the work of the children, I believe that the principal cause of the great exodus from the schools during the months stated, is the traditional custom, deeply rooted in this preeminently agricultural region, that during the harvest season, men and women, old and young, all go to the fields to gather the crop. It is not surprising that so lamentable a custom should still prevail and give way only with difficulty to the wish of the government to propagate education in the masses of the people, since those fathers of families, those who in their youth trod the thresholds of the public schools of that day, still carry in their consciences the conviction that they gained nothing in those schools, and that there, atrophied in spirit, they were as uncomfortable as they were free in the fields. Unfortunately, and more so in past years, our teachers in the majority of the barrios were young, rather pupils than teachers, poorly paid, and could not assume the necessary influence and sufficient authority to cooperate in uprooting this lamentable custom, which has in some ways been making the advance of popular education difficult.

Since the first days of last June the number of American and insular teachers has increased, and I am able to say that during the year the high school has

*A table of receipts and expenditures has been omitted and is on file in the Bureau of Insular Affairs, War Department.

been definitely established. From every point of view the condition of the province in this matter has improved and enthusiasm in the interests of education is general.

Notwithstanding the general poverty, the plague of locusts, the cattle epidemic, shortness of the crops, and the burden of all of the public taxes, the people of Antique, after having borne the cost of their barrio schools, contributed with enthusiasm, and are still disposed to contribute to raise funds for the purpose of erecting a building for a school of arts and trades.

For this purpose the provincial board offered aid to the amount of ₱7,500, including the public subscription and transfer of provincial funds, the part of the insular treasury being ₱7,500 more. We have now ₱7,661.68 deposited in the provincial treasury for this purpose, certain subscriptions in the possession of some municipal treasurers having not yet been paid in. I hope, although I do not cherish absolute certainty, that we shall be able, on the part of the province, to collect ₱10,000 before the end of next November, and if we can collect that sum we shall then request the insular government to aid the province to construct, not a ₱15,000 building, but one costing ₱20,000, for the school of arts and trades and the industrial school, so that we can develop here the most important part of the programme of the bureau of education.

AGRICULTURE.

Corn has given excellent results in contrast with the production of last year, which was almost nil. Owing thereto I am able to assert that notwithstanding the high price of palay, ₱2.50 per cavan, the rigors of famine will not be suffered here.

On the other hand, the palay and sugar crops, which are the most important products of the province, were bad. The crop of palay was smaller than that of the preceding year, and it is estimated that the total production barely reached 350,000 cavans. Only Pandan, Culasi, and Tibiao had good crops, better than those of the previous year, while, with the exception of Lauaan, all the other towns, especially Patnongon, Dao, and Valderrama, had bad ones. This was due to the fact that the farmers planted late, not because of the lack of cattle, but on account of the lateness of rain and the damage by locusts to the seed beds.

Locusts caused considerable damage in the first months after the cane had been planted, and there were fields which, greatly damaged by the plague, were practically abandoned by their owners. Owing to the larger area of land cultivated the production, estimated at approximately 50,000 piculs, was greater than last year, but the expenses were also greater, and nearly all the plantations, if not absolutely all, did not respond to the hopes of their proprietors, the loss being in the majority of cases not less than 25 per cent.

Fortunately the price of sugar was good, although many of the planters, especially the small owners, did not derive any benefit therefrom, as their product was generally sold before the harvest to Chinese merchants at ₱3 per picul.

The fields planted in cane are still larger than those of the preceding year, and apparently the season has up to the present been favorable to them. Some plantations have recovered, and in Culasi especially some planters have improved conditions by substituting water or steam for animal power.

Notwithstanding, however, the good condition of the province in its agricultural aspect, and that owing to the multiplicity of its products its inhabitants are more removed from the dangers of famine, and notwithstanding the enthusiasm of the proprietary class in cultivating their fields, the rinderpest, a grave peril, threatens to destroy this promising outlook and to expose the farmers to imminent ruin. This epidemic, after having been destroyed in Dao, where it caused considerable havoc, appeared in Antique, a suburb of San José de Buenavista, and notwithstanding the efforts of Doctor Thompson, a veterinary of the bureau of agriculture, it spread through all that municipality, Sibalom, and Dao, and has up to date killed more than 780 head.

The town of San José de Buenavista has suffered and continues to suffer from it, and for this reason many fields are now badly cultivated and perhaps many will be abandoned.

This disease, the same as the surra, which killed all of our few horses here half a year ago, came from the province of Iloilo, where the port of the city of Iloilo, permitting the importation of foreign cattle, will always be a constant

menace of ruin to the farmers of the entire islands of Panay and Negros. The principal remedy for these terrible calamities, which have infused dismay, if not despair, in the homes of many owners, is therefore in the hands of the Philippine Government. Until the importation of foreign cattle is prohibited the rinderpest will always cover our fields with mourning and our legion of veterinarians will be able to do little or nothing.

POLITICAL CONDITIONS.

There are no professional politicians here and no committee of any of the political groups now militant has been organized in any part of this province.

I must, however, say that in the past elections of delegates, as well as of provincial and municipal officials, nearly all the candidates of progressive ideas triumphed, in the sense that they, without renouncing their nationalist ideals, do not now favor the immediate independence of the country. The fact is that all of our foremost men who represent the intellectual element here, those who exercise a certain influence over the popular masses, are thoroughly convinced that for to-day at least the Philippines can not sustain their national life without the protection of the United States.

During the year peace and order have prevailed. The elements in the towns which during the past electoral campaign were somewhat distant to one another now fraternize more, so that in many municipalities both assist in the work of the municipal government. The religious struggles, represented by Protestants, Aglipayans, and Catholics, have disappeared and the propaganda of all the sects is within the bounds of true tolerance. The question of the administration of ecclesiastical property, recently decided by the Supreme Court, has agitated a little the minds of the representatives of the Catholic and Aglipayan churches, but the people and the immense majority of the Aglipayans recognize and respect the judicial decision.

No case of brigandage has been tried in court, and of the 54 persons committed to the provincial jail 2 only were condemned to afflictive penalties and 28 were convicted for more or less unimportant crimes.

I do not remember any case of robbery of animals by bandits, nor is any organized band of robbers now known. Of the two cases of assassination or homicide, one was for personal vengeance and the other for robbery, so that in regard to public order the record of the province of Antique is excellent.

NONCHRISTIAN TRIBES.

Under this heading we may classify not only the tribes of Negritos, the majority of whom are heathen, but also many individuals who formerly belonged to our mountainous districts and in order to avoid the payment of the personal cedula hid themselves in the depths of the forests.

The Negritos or Aetas are organized under a government in accordance with Act No. 1268 and at present have four rancherías, to wit: Badiañigan, Villafont, Igtonarum, and Igcococ, with their respective presidents and 3 councillors for each ranchería. Igcococ and Igtonarum are the 2 most backward rancherías, as the inhabitants thereof adjust themselves to a sedentary life with difficulty, and up to the present have not accustomed themselves to conserving their real properties.

On the other hand, Badiañigan and Villafont have made their caligins on more or less permanent plantations with the planting of abacá, rice, corn, and other plants of certain utility.

At present there are for disposal ₱1,196.35 of the non-Christian inhabitant fund, which is sufficient to pay the expenses of a teacher in the ranchería of Badiañigan, where there are about 30 children ready to attend school and whose parents are less opposed to educating them.

The establishment of a school there must be only an experiment, as the ignorance, superstition, and prejudice of the individuals of this race may cause serious obstacles to success, but I believe that an able teacher can overcome these, and that the education of the children of this ranchería will be the basis of the civilization of all the Negritos in this province.

During the Spanish régime there were in some municipalities populations called "Montescos," who paid a tax smaller than the personal cedula. With the change of sovereignty in the islands the name of "Montescos" disappeared and all have had to pay the same personal cedula. Some Montescos could not

pay the tax, and to avoid the penalty have been penetrating the forests, where they cleared their caligins and established their homes, and in their isolation, without contact with the civilized population, have formed a small semisavage population, incapable now of amalgamating with the mass of our population, because they can not pay what they owe for taxes in past years, and represent a civilization ages behind the present.

They ought to be considered as members of the non-Christian tribes and, as the Negritos, should be governed under the provisions of Act No. 1268. Scattered through the forests they constitute a peril to public order; they may constitute themselves bands of wrongdoers, to engage in pillage and robbery, or the protectors in our mountains of the bands of evil doers of Iloilo and Capiz.

I cherish the hope of being able to organize a rancheria of this class of people through the cooperation of the Protestant missionaries, who appear to have gained the confidence of the greater part of our mountain populations.

SANITATION AND HEALTH.

If fate has been unkind to all classes of cattle, as owing to various calamities 721 carabaos, 255 cattle, and more than 100 of our horses have died, public health has been excellent. No epidemic disease has been reported, and malaria, which in former years appeared in an alarming form, disappeared entirely.

The number of births, the same as the previous year, has exceeded the number of deaths, as is seen in the following table:

Municipalities.	Births.	Deaths.	Municipalities.	Births.	Deaths.
Pandan.....	483	182	Dao.....	446	172
Culad.....	689	200	Sibalom.....	662	369
Tibiao.....	57	72	San Jose.....	613	418
Laus-an.....	406	86	San Remigio.....	266	131
Bugason.....	426	150			
Valderrama.....	100	46	Total.....	4,342	1,996
Patnongon.....	234	170			

There is only one complaint of the people with respect to the organization of the district health office, which is that the work thereof has not made itself felt even within the limits of the capital of this province. This is very easy to understand, as a health officer, however active he may be, can not satisfactorily manage a district of 3 provinces of the size of the island of Panay, with great obstacles in the way of transportation and communication and with a population which approaches a million inhabitants. In case of the invasion of this province by an epidemic, we may as well, with the present organization, give ourselves up for lost.

RIFLES AND AGRICULTURISTS.

Before concluding this report, I desire to say that it is the well-known policy of the central government, exercised through the director of constabulary, to withdraw the licenses of those who formerly possessed rifles and revolvers, and, consequently, they received orders to deposit such arms in the office of the senior inspector.

There are few, very few, who possess that class of arms, but all, with very rare exceptions, are the best property owners in the whole province, and I am able to state that they constitute the most responsible class of our great social mass as well as the support of the policy of the government in their respective districts.

The confiscation of arms means the certain loss of their money employed in the purchase of such property, and may be interpreted as a sign of the lack of confidence on the part of the government in the loyalty of those men to the constituted powers.

But, aside from the above, I must say that this provision was received here with bitterness, since for many the confiscation of their revolver or rifle is equivalent to an order to abandon all or part of their properties, since not having any security on their plantations, it is logical and natural that they choose, because of lack of any means of defense, to abandon them.

Nearly all the owners of a few rifles are owners who live on their plantations, situated in districts remote from the center of the municipality, and where the action of the police does not extend. It is true there is no band of thieves here, nor is there a single bandit in the true legal meaning of the word; but it is also true that with the fusion of the municipalities our police can not protect the greater part of the barrios or districts within their municipal bounds, and under such circumstances the annulment of the licenses for the arms of the good proprietors is equivalent to placing them at the mercy of sneak and cattle thieves, who in all times and places are in the habit of appearing when the police power is deficient or nil.

On the other hand, I believe it to be my duty frankly to say that such provision will not be for the best interests of the province of Antique, but will greatly impede the development of agricultural interests, and take from me the best support, in the absence of police, in keeping cattle and sneak thieves at bay in the various districts.

Respectfully submitted.

A. SALAZAR,
Governor of the Province of Antique.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF BATAAN.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF BATAAN,
Balanga, March 2, 1908.

SIR: I have the honor to submit to you the following report on the Province of Bataan, covering the period from July 1, 1907, to March 1, 1908.

AGRICULTURE.

During the months which have passed since my last annual report, agriculture has suffered greatly from freshets which flooded the rice fields during the past rainy season, especially in the municipality of Dinalupihan, where the rice fields were covered with water for a month, and when the agriculturists of that town saw that their fields were destroyed they replanted them with early palay in the month of September, but during the germination of these new plantings there was another freshet which spoiled them, so that it is estimated that in this municipality alone more than two-thirds of the regular crop has been lost, in addition to the double expense for the preparation of the land. The Balic River having been choked so that the current from it was added to the water passing through the large Layac River contributed to the inundation of that municipality. In addition to these floods, which caused more or less damage to the rice fields in all the municipalities, the scarcity of rain in November, when the palay was ripening, was another cause of the loss of the upland palay, and adding the loss in the other municipalities to the greater one in Dinalupihan, it is estimated that in the whole province there has been a loss equal to two-fifths of the previous year's palay crop, which itself amounted to but one-half of that harvested in the year 1906.

To prevent to some extent the famine which is feared during the next rainy season, some lessees of irrigated lands planted early palay during the past month of February in order to harvest it during the coming month of May, and on the high, or dry lands, some have planted camotes and others corn. If the crop of these products turns out well, it is probable that famine will not be much felt in this province.

It is strange that this month, when they are beginning to thresh palay, the price should go up to ₱3 a cavan, legal measure, which is smaller than the measure formerly used.

The sugar crop has not improved this year, and he who harvests a third of the regular crop can consider himself fortunate, and this is due to the failure of the cane to grow during the drought which lasted from January to May last year. Two planters of this capital have suffered greater loss than others because of their respective plantations having been food for the plague of green worms.

Last year's scanty crop of sugar, except some few pilones sold for local consumption, still remains in the warehouses because of lack of purchasers, and for this reason planters are in great straits for funds necessary at this period of harvest for the preparation of the soil and the planting of sugar cane.

It is estimated that since my last report a third of the cattle in this province have died of rinderpest, though fortunately this office has not been informed of the death of any cattle during the past month.

It is requested that the Philippine Legislature hasten the establishment of the agricultural bank so long desired by agriculturists so that they can cultivate their lands, abandoned for a long time because of lack of capital.

COMMERCE.

It has already been stated in my former reports that the commerce of this province is limited to sugar, timber, firewood, fresh and dried fish, and various fruits and vegetables, such as the mango, camote, hincamas, and pineapple. Nothing new can be added to this statement unless the plantations of maguey, hemp, and cocoanuts give good results when their time comes.

ECONOMICS.

In speaking of economics I can do no less than repeat that since the passage of the internal-revenue law, this province has been, and is, suffering a financial crisis. I must say that I am not opposed to the enforcement of this law because I find it just and equitable, but I do not approve of the manner of the distribution of the funds which, in my opinion, ought not to be proportionately to the number of inhabitants of each province, but according to the greater or lesser receipts from each.

This province, in spite of being the smallest of its class, turns in more because of its forestal wealth and commercial movement, but is, however, the one which receives least of the internal revenues.

The Philippine Legislature should amend the internal-revenue law so that the money collected be divided proportionately with the receipts from each province.

POLITICAL CONDITIONS.

Since my last report the peace which reigns in the entire province has not been disturbed in the slightest degree, in spite of the general election held November 5 last.

Not even the shadow of a bandit has appeared in our mountains and forests, and for this reason the inhabitants of the entire province safely engage in their field labors.

This tranquility which we enjoy is due in great part to the peaceful habits of the inhabitants who, because of their love of law and good order, efficiently aid the constituted government. The activity of the insular police, under the command of Captain Diederich, who has originated a patrol system which covers the whole province periodically, visiting even its most distant barrios, has also contributed greatly to this tranquility.

INDUSTRY.

As has already been stated in my former reports, the industries are so few and of such little importance that I do not believe it necessary to speak further on the subject.

PUBLIC INSTRUCTION.

It can not be denied that in this province education is progressing notably, especially in industrial work.

At the school exhibition, held in Manila at the time of the visit to these islands of the Hon. W. H. Taft, Secretary of War, this province obtained the first prize for its beautiful balantacan curtains. The carpenter shop of the provincial high school in Orani is producing articles of this kind, which visitors to the school eagerly purchase.

It is to be regretted, however, that on account of its poverty this province has no building for a much-needed trade school, and that many of the young

men who are not fond of books, after going to the public schools for two or three years, return home without having finished any course.

During the period covered by this report some schoolhouses which were under construction last year have been completed, among them the building destined for the provincial high school, which was opened January 7 last.

Attendance increases daily in all the schools, owing to the interest and activity displayed by the teachers, Filipinos as well as Americans, at whose head is the tireless division superintendent of schools of this province, Mr. J. M. Gambill.

ROADS AND BRIDGES.

The entire provincial road has been newly repaired, because the floods of last July and August had destroyed the greater part of it, with a good quality of gravel, so that the metaling is harder than before.

Various bridges which were under construction last year have been finished, and among them the Calaguiman bridge of reinforced concrete, more than 40 feet long, and opened October 9, is worthy of mention. The materials for bridges to cross the Layac, Orani, and Samal rivers have been ordered from America, as they could not be constructed here on account of their length, the first two being 90 feet, more or less, and the last 50 feet. They will be of steel with molave and asphalt floors, and it is hoped they will be in place before the end of the year.

The satisfactory condition of the road and bridges is due in great part to the activity of Mr. G. A. Benedict, provincial treasurer, to the executive bureau, and to the bureau of public works.

The provincial board, by resolution No. 12, series of 1908, has designated as an insular road all that part between Orion and Dinalupihan, and by resolution No. 10 of the same series has classified that part from the Lyac River to Dinalupihan as first class.

SANITATION AND HEALTH.

Public health suffered a change, due to the appearance of some sporadic cases of Asiatic cholera, which occurred in the municipalities of Abucay, Balanga, Dinalupihan, Mariveles, Orani, and Orion. Owing, however, to the measures adopted by the local sanitary officers, this disease disappeared at once, and at present the province is free from it, there having been no other of an epidemic character.

Respectfully submitted.

L. L. ZIALCITA,
Governor of the Province of Bataan.

The GOVERNOR-GENERAL.

Supplemental Report of the Governor of Bataan

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF BATAAN,
Balanga, July 9, 1908.

SIR: In compliance with the provisions of Act No. 1044, I have the honor to transmit the following report for the fiscal year ended June 30, 1908.

AGRICULTURE.

For more than ten years agriculture has been languid. The suspension of the payment of the land tax for two years was a great relief to property owners, and it is proper to make acknowledgement to the government for this aid. It is probable that with the speedy establishment of the Agricultural Bank and the facility given for obtaining titles to real property, together with the stimulus which is to-day observed in the people of engaging with zeal in field labors, the country will enter upon a reaction and, arising from its decadent condition, will progress and be prosperous.

Work animals, such as carabaos, are gradually diminishing in number, as they are attacked either by rinderpest or the foot and mouth disease, and although it is indeed true the number is very small, rinderpest has already disappeared and many of the animals attacked by foot and mouth disease have been cured, the chloronaptholeum sent by the director of agriculture having given very good results.

Locusts, which appeared the first fortnight of June of this year, did very little damage to plantations, owing to the timely measures taken and the efficient aid of municipal officials and people.

With this year's palay crop and the existing plantations of various kinds of tubers, such as camotes, corn, gabe, etc., and the many rice plantations in the forests, called *calingins*, to be harvested early (October), to say nothing of the work which will be undertaken this year by the provincial government, famine will be unknown in this province.

The production of sugar diminished considerably, but the cane fields for next year's grinding are more or less extensive in comparison with those of the past year.

In this branch of agriculture the province is stationary, for to tell the truth the price of sugar in the market does not compensate the landowners for the work and capital put into its production, but in spite of these adverse conditions its production is not abandoned, as it is hoped the market price will improve.

The production of the cocoanut and the profits derived therefrom in other provinces have encouraged several landowners to lay out plantations, and the number thereof will increase from year to year. It has been suggested to municipal councils to adopt a resolution fixing a day in each municipality, to be called "Arbor Day," on which all the residents shall set out, of course voluntarily and without penalty, some kind of tree or plant, such as the cocoanut, *ilang-ilang*, *kapok*, on their properties, and in some municipalities the cocoanut has been adopted. But I fear this idea, owing to lack of seeds, can not be put into practice this year.

There are also some *maguey* and *abaca* plantations of small size which will serve as an experiment.

COMMERCE.

Very little can be said on this subject, as the commerce consists of the ordinary transactions, on a small scale, in firewood, fresh and dried fish, fruits such as mangoes, pineapples, camote, *hincamas*, etc., while the most important business is in building lumber, piles for retaining walls, and sugar.

INDUSTRIES.

In addition to the general native industries there should be mentioned the fish hatchery, which is increasing, making of the mangrove lands (swamp lands near the sea), situate on the littoral of the province, veritable seats of industry and production, and it is probable this most important industry will in time be more so, as it is combined with that of salterns or salt works.

NATURAL RESOURCES.

This province is rich in forest products, as the most varied kinds of timber, from the standard *molave* to the common *lauaan*, are found in its forests. The difficulties in the way of utilizing this product are the cutting and hauling, which require large capital, and the lack of proper highways. The American house of Cadwallader & Co. is making clearings and cutting timber at Limay, in Orion, with modern machinery, and will probably establish a furniture factory.

The stone quarries of Sisiman, Mariveles, are worthy of mention, and the stone as quarried by the Atlantic, Gulf and Pacific Company is good material for the construction of wharfs, street pavement, etc.

PUBLIC INSTRUCTION.

There is a natural and spontaneous enthusiasm among the children and youth of both sexes for study. The schools are growing and are better cared for either by the town or by the *barrio* where located. In Balanga a voluntary subscription is being taken up for the construction of a primary industrial or an intermediate school. A school exhibition held in Balanga March 27

last was a success in the number and variety of articles exhibited by the schools, especially in the industrial branch. The average attendance is from 65 to 70 per cent of the total number of children who ought to attend school.

NONCHRISTIAN TRIBES.

The non-Christain tribe known in this province are the Aetas, not exceeding 600 in number, who inhabit the mountains of Bataan. They are entirely peaceful and loyally support the constituted government and the authorities. On my visit to the town of Bagac, situated on the other coast of the province, I was with nearly all those of that vicinity, and urged them to frequent the towns, to engage in agriculture or wood cutting and to adopt the habits of the townspeople, especially in the way of living and dressing, as the Aetas are a nomadic people, without fixed dwellings, eating where they may happen to be and sleeping where night overtakes them. They are employed as laborers on the road which runs from Balanga to Bagac and Moron.

PUBLIC WORKS.

ROADS AND BRIDGES.

There is a good highroad from Orion to Dinalupihan, which has been designated as first-class from Balanga to Dinalupihan by a resolution of the provincial board.

It is hoped that the 3 steel and cement bridges with molave and asphalt floors, contract for the construction of which, with the Atlantic, Gulf and Pacific Company, was signed in April last, will be finished this year. I hope that 15 others, 3 being of some size, and for which plans are being drawn by the bureau of public works, will also be finished this year.

The 20-kilometer trail from Balanga to Bagac, on the other coast of the province, is being cleared of underbrush and trunks of trees which have fallen across the road, useless curves being eliminated and the straightest route possible followed. The trail from Bagac to Moron, 20 kilometers, is also being repaired and cleared.

Owing to lack of funds the province can not build the trail from Dinalupihan, Bataan, to Olongapo, Zambales. The reconstruction of the road running from Dinalupihan to Floridablanca, Pampanga, has not been decided upon, as it is hoped the negotiations begun with the railway company will be successful and that the railway line will be extended at least to Dinalupihan, which will render the repair not of urgent necessity.

POLITICAL CONDITIONS, PUBLIC ORDER.

The elections for delegates, held for the first time on July 30, 1907, and for provincial and municipal officers, on November 5, 1907, were tranquil, orderly, and with all the regularity prescribed by the election law, without tumults or excitement of any kind.

The mountains and forests of Bataan do not shelter a single outlaw of any kind, and true and real peace prevails. The constabulary and the municipal police efficiently aid in preserving the same. A rumor of the presence of some bandits in the town of Dinalupihan in May last did not disturb public order in the slightest degree.

In the provincial jail there are only three prisoners—one condemned to one year's imprisonment, another to four months and a day, and the third under detention for a violation of Act No. 1761.

FINANCIAL CONDITION.

The economic condition is improving. Of the debt, ₱10,000 were paid in June last in accordance with Act No. 1815, and there remains an indebtedness of but ₱2,000.

The following table shows the financial condition:

Money accountability:

Cash on hand.....	₱11,184.38
Deposited with insular treasurer.....	4,705.22
Deposited with International Bank Corporation.....	20,000.00
Total	35,889.60

The ₱5,000 in the insular treasury as a reward for the adoption of the double cedula are not included.

It is hoped the present financial condition will improve in the fiscal year 1909 and that, in addition, the work to be completed during such period in general provincial improvements may be attended to after all provincial obligations have been met.

The economic life of this government will continue to improve as agriculture improves, with the immediate establishment of the Agricultural Bank and the amending of the internal-revenue law so that the distribution shall be proportionate to the receipts from each province, and not to the number of inhabitants, as at present.

The enactment of the double-cedula law has resulted in good collections, as the following shows:

Without the double cedula:

1907	₱6,528.00
1908	6,861.50

With the double cedula: 1908..... 17,552.50

The following table shows that nearly two-thirds of the money collected is employed on public works:

Budget for the fiscal year 1908-9.

	Receipts.	Expenditures.
General funds.....	₱22,483.13	₱20,800.28
Road and bridge funds.....	16,369.63	16,369.63
School funds.....	562.18	400.00
Public works.....	10,000.00	10,000.00
Total.....	49,414.94	47,578.91

SANITATION AND HEALTH.

From January, when a few cases of Asiatic cholera occurred, to the end of June, when a case occurred in Balanga, the person having come from Bautista, Pangasinan, health conditions in the province were unsurpassable. Smallpox also appeared in April and May, but it was mild in form, and there were very few cases.

Undoubtedly there is great need of artesian wells in some places where the water is bad to protect the inhabitants from infectious diseases, and not more than twenty-five odd of a kind that cost little would be necessary in the whole province.

RECOMMENDATIONS.

The first and principal thing to be done to give an impulse to agriculture and facilities for getting out the forestal products found in the mountains of the interior is the construction of a road from Balanga to Bagac, 20 kilometers, and from there to Moron, 20 kilometers, these latter towns being located on the opposite coast. I believe the work will not cost much in comparison with the value and importance of the road, and it is probable that the work can be accomplished for ₱30,000, including the cost of 5 bridges between Balanga and Bagac. From Bagac to Moron the route which can be followed is the one along the seashore or the beach, as the sand hills are small obstacles easily leveled.

The Balanga-Bagac-Moron road will be classified an insular highroad, its total length being 40 kilometers, and that from Limay, Orion, to Dinaluphan, a provincial highroad, its length being 27 kilometers.

The second recommendation is to give the province a loan of ₱3,000 for the construction of artesian wells to provide the inhabitants with a good quality of water in places where there is none.

Respectfully submitted.

PEDRO Y. RICH,
Governor of the Province of Bataan.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF BATANGAS.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF BATANGAS,
Batangas, July 6, 1908.

SIR: In compliance with the provisions of Act No. 1044, I have the honor to transmit the following report for the fiscal year ended June 30, 1908.

Having taken office only four months ago, the data corresponding to the other months of the fiscal year are taken from the records of this office and from those of the other departments of this provincial government.

PROVINCIAL AND MUNICIPAL ADMINISTRATION.

The provincial board has been working with regularity during the year under the provisions of the provincial organic act, holding its regular weekly sessions without interruption, except in cases of the investigation of matters requiring prompt action, when special sessions were held. Happily such cases have been rare, only one having occurred since I have been at the head of the government, which was in March, when we had to hold two special sessions to investigate the charges made against the acting president of Bauan, which were proved to be unfounded.

During the year 143 detention and 114 convicted prisoners have been confined in the provincial jail. No prisoners have escaped, and no disturbances, deaths, or epidemics have occurred within the jail, having a capacity of 250 prisoners, which it used to contain during the Spanish domination, when it was constructed. Since May we have been making a general repair of the cells and doors, which had become weak.

From what I have observed in the routine examination of the resolutions and ordinances of the municipal councils, which the provincial board is called upon to revise in accordance with the provisions of Act No. 1791, as well as in the personal inspection which I had to make of all the municipalities in the regular visit last May, I am able to say that in general their work is satisfactory and in some cases brilliant, and I have noted that these councils have in a few years easily assimilated the institution established by the present constituted government, so new and so different from those of the former domination. Their resolutions and ordinances are ordinarily approved in their entirety, and seldom has there been any necessity of any changes therein. The development of their administration of even the municipalities of little importance reveals with some rare exceptions in their personnel much intelligence and a feeling of responsibility worthy of mention.

I intend to create, if the municipalities respond, a statistical division, so that the annual movement of the population as well as the progress or retrogression of agriculture can be determined, and I regret that owing to the lack of such a division I can not give concrete data on these points.

POLITICS.

During the year 1907 Nationalista committees were organized in 7 municipalities, but, so far as known, there was no Progresista committee, although some persons residing in the capital are considered Progresistas.

Only Nationalista candidates contended in the election of delegates to the Assembly in the three districts. In the last election for governor and third member the contest for the first office was between a Nationalista and an independent, and for the second, between a Nationalista and a candidate considered a Progresista, the two Nationalistas having won at the polls.

For municipal offices the contest has been rather personal and factional in the respective municipalities, without any political character, and in only a few between the candidates of the popular masses and those of the wealthy class, the popular candidates having been elected in all.

Although the contest was very spirited in nearly all the municipalities, no public disorder was reported during the campaign nor during the elections.

Protests against the eligibility of the governor-elect on the ground of legal and bona fide residence were made, and the investigation ordered by you having been made, the allegations of the protestants were proved unfounded, the protests were overruled, and the election of the writer was confirmed.

In April a complaint was presented to the executive secretary alleging that the third member was ineligible because of having been on the day of the election a member of the local school board of Cuenca, which upon investigation proved to be unfounded and was overruled.

After the municipal elections had been held protests were made against two presidents-elect, that of Bauan as suffering from leprosy. The man against whom it was made had himself examined in the bureau of science, and, on learning that he was really afflicted with it, went to the San Lazaro Hospital. His office being declared vacant under the provisions of the election law, a special election was held April 20 last. Various protests were also presented against the man elected thereat, of which one of a judicial nature and all those of an administrative character have already been overruled. One is still pending in the hands of the prosecuting attorney which it is hoped will be decided by the court of first instance of this capital at the next term. The fury with which the two factions in this municipality attack each other is notable, as they litigate in the smallest matters before the provincial board and in the court of first instance. The energies and attention of the residents, almost completely absorbed in these struggles, are withdrawn from work for the common welfare, and I purpose to end, or at least to soften, these contentions so that their energies may be directed toward work more beneficial to the community.

Protests were also made against the president-elect of Lipa, alleging that he was a member of the local school board on the day of the election. The proper municipal council after investigation having declared the protest well founded, the former provincial board approved of the decision and appointed another president. The man removed has appealed to the court of first instance and it is probable that the appeal will be heard at the next term of that court.

The only religion in this province is the Catholic, with the exception of the Presbyterian, which has some proselytes in the towns of Lipa and Bauan. Presbyterianism has been preached for a short time in those towns, and some conversions have been made pacifically and without having produced up to the present any disturbances provoked by religious struggle.

I believe our election law is one of the most complicated regarding eligibility, the cause of so many protests in this and other provinces. I take the liberty of recommending to the Legislature that the law be amended so that public officials shall also be eligible if they possess the qualifications of an elector.

PUBLIC ORDER.

There were during the fiscal year 3 hold-ups in uninhabited places by persons armed with bolos, who succeeded in taking the money of the persons assaulted without any wounds or deaths being inflicted. In the entire province 6 houses in remote places were attacked for the purpose of robbery by persons armed with bolos, and some with revolver and gun, the number of the assailants being ordinarily 3. In 4 cases the persons assaulted were wounded, and in 1, that of Miss Hahn, death occurred, the details of which were communicated to the government at the proper time by my predecessor. The parties guilty of this assault and assassination have all been arrested and sentenced, 2 to capital punishment and 1 to fourteen years' imprisonment. At present one party only of bandits, Castro's, is marauding in the province, and according to reports is camped in the territory of Cavite, which adjoins Talisay and Tanauan, and from time to time descends to the remote barrios of these towns to commit its misdeeds. The constabulary, which has detachments in the vicinity, and the residents of the barrios pursue the party unceasingly. Platoons of the constabulary had encounters with individuals of the party twice this year, one on January 27 and another on April 16 last, in which the constabulary killed 1, seriously wounded 2, and captured 1, and also 2 guns and 35 cartridges. According to trustworthy reports only 3 members of this party with 2 guns remain. The constabulary, with the cooperation of the municipal authorities and residents of Tanauan and Talisay, have taken measures and propose to capture them in the shortest possible time.

According to information received from Manila on June 26, Fructuoso Vito and 3 companions escaped from Corregidor Island where they were working, and it is believed that Vito will go to Lemery, his native town, where he has a wife and children. We immediately took measures for the recapture of these escaped prisoners, the constabulary sent out troops, and the municipal authorities of the towns through which it was supposed they were going to pass gave

instructions to their lieutenants of barrios to furnish information and to prepare their detectives to cooperate with the constabulary. On June 29 they were seen in Looc, of the jurisdiction of Nasugbu, and various platoons of constabulary went in pursuit of them, but up to the present no news has been had of the result of this pursuit.

The constabulary of this province under the command of the senior inspector, Captain Thompson, is in harmony with the municipal authorities and with the people in general. With the cooperation of the municipal police it renders excellent and efficient services, above all in the capture of cattle thieves. Because of the damage done by them to agriculture in this as well as in other provinces, I believe that special legislation is needed to repress them.

The municipal police are very good and their services are efficient both in enforcing the municipal ordinances and in the capture of wrongdoers. Although this useful organization is becoming more nearly perfect each year since its establishment, yet I have noted a lack of tactical unity and intelligence between the bodies of the different municipalities in cooperating with each other in cases of disturbance and in the capture of criminals who easily pass from one municipality to another. To remedy this I have outlined a plan which I believe will give good results when employed. We have already put part of it into force by the appointment of a subinspector of constabulary who constantly travels through the municipalities to inspect and instruct the policemen in discipline as well as in their duties as civil employees, while at the same time we are unifying the manner in which they are armed. But to secure efficient policemen we meet with the difficulties of the inconstancy of their employment, as they are at the mercy of the incoming municipal presidents, who are, by sections 18 and 26 of the municipal code, empowered to change the personnel of the municipal police. I am of the opinion that these sections should be amended so as to exclude municipal policemen from the appointive officials whom the president can remove on taking the office of president, so that we may have a select personnel, not subject to the results of electoral strife and of favoritism, which demoralizes the service.

AGRICULTURE.

The following comparative table of the agricultural production is made up from data furnished by the municipal presidents on my request, which are approximate estimates only, as there are at present no means for obtaining exact data. Hogs, chickens, and eggs, the production of which must be considerable, judging from what is seen in the vessels sailing from these shores, which are always overstocked with them, are not included in this table, as no means are available for making even an approximate estimate of these products. This table shows the crops harvested during the fiscal year 1908 as compared with that of 1907:

Product.	Fiscal year.		Increase.	Decrease.
	1907.	1908.		
Sugar.....piculs..	111,749	164,310	52,561	
Palay.....cavans..	589,260	857,555	268,295	
Corn.....do.....	90,800	98,900	8,100	
Mongos.....do.....	3,549	3,532		17
Oranges.....number..	21,436,946	15,208,590		6,228,356
Cocoa.....piculs..	3	2		1
Tobacco.....quintals..	8,145	568		2,577
Abaca.....piculs..	3,965	7,150	3,185	
Cotton.....do.....	120	100		20
Onions.....do.....	1,225	2,800	1,075	
Mangoes.....number..	65,590	10,000		55,590
Maguay.....piculs..		50		
Bananas.....bunches..	7,737	12,357	4,620	

There were 3,645 work animals died during the year, as compared with 6,966 during the fiscal year 1907, a decrease of 3,321.

It is seen that the production of sugar and palay, the principal products of the province, has increased 33 per cent this year, in spite of the terrible mortality of work animals, the number of which reached 3,645 this year. If to this adverse circumstance be added the scarcity and difficulty of securing laborers

for agricultural work, owing to reasons which I shall state later, and the lack of the capital necessary for the purchase of tools and machinery, the great efforts and sacrifices which these farmers make to obtain so notable an increase in production are to be appreciated and justly praised. I believe, therefore, they merit some official attention, and that they ought to be efficiently aided in their struggle against such adverse circumstances.

One of the principal plagues is the epizooty in the form of rinderpest, foot and mouth disease, and surra, which have existed in the province for ten years, and annually kill from 3,000 to 4,000 head of cattle, the value of which, according to present prices, amounts to approximately ₱500,000. As an annual loss it is great enough, but it is even more important if the energy they represent as the principal factor in farm work, and which is annually withdrawn, be considered. The small owners who have no resources with which to replace their dead animals suffer most in this respect, and it is the cause of there being much land still uncultivated in many municipalities of the western part of the province. In my opinion, this is the most important problem to be solved in order to build up agriculture, and, as I had the honor to state to you the past month, it is not venturesome to state that in view of the efforts which these farmers are making to arise from the decadence into which they have fallen, if the rinderpest could be completely wiped out, in three years this province would attain the prosperity which it had before the revolution. This evil being almost general in all the Philippines, and of more or less importance in the different provinces, I take the liberty of suggesting that in the solution of the agricultural problem of the Philippines the wiping out of the rinderpest should engage the earnest attention of the government.

The scarcity of laborers is due, in the first place, to their emigration in poor agricultural years to Manila and the other provinces, where they found better facilities for earning their living; and having acquired interests there, remain definitely. During this year, however, some families which had emigrated returned to their respective municipalities, but they were very few. The other cause is the continuance of the old system of *aparceria* for securing laborers. This system, under the present régime, with the essential laws in force, meets with many difficulties in practice, difficulties which sometimes come from the *aparcerero* and at other times from the owner, and for that reason the latter often refrain from making contracts, even at the risk of leaving part of their plantation uncultivated. The question of *aparceria* as it presents itself in this province is, as I understand it, a social problem which ought to be decided by law, if it can be done. With this object in view, I shall endeavor to investigate it carefully, and if I find any solution, I shall have the pleasure of submitting it to you in my next report or in a special one.

One of the factors impeding agricultural prosperity in this as well as in other provinces is the means of communication, which become almost impassable in the rainy season and paralyze the transportation of products, or at least greatly increase the cost of such transportation. For this reason the provincial board is constructing first-class roads and some bridges, and it is hoped that with the funds we have we shall possess some 36 kilometers of first-class roads during the next fiscal year. The writer, awake to the importance of this matter, has established a system of road menders on all the principal highways, which has been in operation since June 15, and the regulations adopted by the provincial board for the same are annexed in this report.

Great swarms of locusts have arrived on these shores from Mindoro, as is supposed, since the end of the past month, and their number is so great that, in spite of the efforts of the people to exterminate them quickly, many have been able to settle and leave their eggs. The municipalities of Batangas, Ibaan, Bauan, Taal, Balayan, and Nasugbu have been invaded. The people of these towns, under the direction of the officials, have worked a great deal to exterminate them, voluntarily and without expense to the municipalities, but in spite of these efforts many hoppers still remain. This plague is a serious menace to the next crop if their extermination is delayed, and to hasten its extermination, and in order that the work undertaken may be more efficient, I was obliged to request aid from the committee of the Legislature in charge of funds for relieving public calamities. It granted us ₱2,000, which is now being expended under the direction of the provincial board in the municipalities invaded; and with the desire of the people earnestly to protect their own interests, and this timely aid, I hope that the remaining hoppers will soon be exterminated.

COMMERCE.

With the increase in agricultural production commerce also increased. This progress is evidenced by the increase in the means of transportation, by the opening of new stores of foreign merchandise, and by the visits of dealers. During the sugar season 3 steamers and some sailing ships were added to the mercantile fleet which carries the ordinary traffic. New stores dealing in cloth and foreign articles have been opened in some municipalities, and rice and sugar machinery has been sold therein. An agent for an American house which exports farm machinery, who ordinarily resides here, has assured me that he has had more orders for farming tools this year than any other since he came to this province. This year some more Chinese sugar dealers have come, and more commercial development is hoped for, especially in the non-coast municipalities, when the railway line to Batangas is in operation. The facility for the transportation of their products which this line will furnish them will develop in the municipalities through which it runs not only agriculture, but also commerce. Possessed by this hope the inhabitants of those municipalities have heard with regret the news of the suspension of work on the Batangas line.

If there was not such great mortality among work animals the financial condition of the province would be prosperous, owing to the increase in agricultural production, but with this mortality, which not only represents an annual loss of ₱500,000, but paralyzes or at least disturbs agricultural work, the financial conditions of Batangas is at present unsatisfactory. For instance, in Balayan the rinderpest claimed so many victims that the value of its agricultural production this year scarcely covered the value of the animals it had lost. Happily, this terrifying balance prevailed in only two municipalities, as all the others have had somewhat more favorable balances.

The eastern towns have had an abundant harvest of palay, which it is hoped will be sufficient to last until the next crop. Those of the west, which are sugar-producing towns and produce little palay, have, since May, been importing rice from Manila for their consumption.

FINANCES.

The receipts and expenditures for the fiscal year corresponding to this report are, according to the memorandum furnished by our provincial treasurer, the following: ^a

With relatively large receipts the provincial board has, in the past months, been able to give an impulse to public works, especially to the construction of roads and bridges which are so much needed, and to this end there has been constructed a first-class highway from Batangas to Bauan, and there has been ordered the construction of highways, also of the first class, from Tanauan to Santo Tomas, which will be finished about the middle of this month, and from Santo Tomas to Biga, which is under contract to be finished August 30 next, and of the Dacanlao and other bridges and of the Ibaan-Rosario road. At the same time necessary repair work has been commenced on the provincial building, the provincial school building, and the provincial jail.

The provincial board has adopted the ₱2 personal cedula and the land tax for this year, and it is worthy of note for the satisfaction of the department of finance that, in spite of the cost of the cedula, having been doubled from January 1 to April 25, 1,733 more cedulas were sold than during the entire year of 1907, including delinquents. For this reason when the provincial board was consulted by the executive secretary in regard to the necessity of granting an extension for delinquents in this tax this year, we answered that we did not believe it necessary for this province, believing, in view of such increase, that nearly all had already paid their cedulas.

Reports from the treasurer show that, according to estimates, up to the end of June nearly one-half the land tax for this year had been paid, and as there are still three months for paying it without penalty we hope by that time to have very few delinquents.

^a This table has been omitted, and is on file in the Bureau of Insular Affairs, War Department.

In view of this splendid condition of the provincial treasury and of having sufficient general funds, we decided to pay, under the provisions of Act No. 1815, the debt of ₱49,384.47 contracted by this province with the insular treasury in former years, of which ₱30,000 were allotted for the construction of a first-class highway and ₱19,000.47 for the repair and enlargement of the provincial school building and for the construction of an agricultural school and of an industrial school.

The following table is the approximate estimate of the receipts and of the cost of the work we plan to undertake with said funds in the fiscal year 1909:

Estimated revenue of the province of Batangas during the fiscal year 1909.

Source.	General fund.	Road and bridge fund.
Estimated balance on hand July 1, 1908.	₱43,000	₱85,000
Allotment under Act No. 1688, not yet received.		27,600
Registry of property	100	
Rent of provincial property	288	
Cart tax		700
Land tax, 1906 and preceding years.	700	350
Land tax, 1908.	8,000	4,000
Land tax, 1909	15,000	9,000
Internal revenue:		
Cedulas	33,000	61,000
Weights and measures.	250	
Refunds from insular treasury	25,000	25,000
Interest on deposits.	3,150	
Estimated allotment from insular road and bridge fund.		80,000
Transfer from general fund under provisions of Act No. 1815 for roads and bridges		80,000
Total	181,488	272,650

Work under way.

[Payable from balances on hand July 1, 1908.]

GENERAL FUND.

Alterations and repairs to high school building	₱5,000
Construction manual training school building, ₱15,000 in all. from special fund	₱10,000
Construction agricultural school building	5,000
Total	15,000

ROAD AND BRIDGE FUND.

Construction Decanlao bridge	₱27,000
Construction Ibaan-Rosario bridges (3)	15,000
Construction Pinagsibaan bridge	7,500
Completion Gogo bridge	1,500
Construction Tanauan-Santo Tomas road	5,700
Construction Santo Tomas-Viga road	20,000
Miscellaneous roads and bridges	7,200
Total	84,500

Estimated cost of road construction proposed for fiscal year 1909.

[Road and bridge fund.—Construction and maintenance of roads.]

Batangas-San Jose road, 14 kilometers	₱75,000
Balayan-Calaca road, 12 kilometers	60,000
Caminero system, 14 kilometers first-class roads, and 141 kilometers second-class roads	25,000
Miscellaneous	10,000
Alterations, repairs, and maintenance of bridges	5,000
Purchase of permanent equipment	10,000
Total	185,000

The financial condition of the municipalities is also satisfactory, and for this reason Lemery, Lipa, Batangas, and Bauan were able to appropriate funds for the construction of their respective municipal buildings, and some which already have them transferred amounts from the general funds for the construction of public school buildings. These municipalities are only waiting to comply with the requirements of law to begin work.

There has been no defalcation by any municipal treasurer, nor has any irregularity been discovered in their accounts.

I recommend that the respective provincial boards be empowered to determine without the necessity of the intervention of the insular government, the period for collecting the road and land taxes in their provinces. I base my recommendation on the facts that the revenues produced by said taxes are applied exclusively to provincial and municipal expenses and that the necessity for expending them and the periods of easy collection differ in the different provinces.

INDUSTRY, MANUFACTURES.

During the year new mills for manufacturing cane sugar and for hulling palay, which were needed because of the notable increase in their production, were erected, but it is impossible for me to state the exact number thereof, which must be considerable. In Lipa alone 3 rice-hulling mills have been erected this year in addition to the 3 there already.

The weaving industry continues to be individual, no companies being formed to better exploit it. The looms are run by women, and weaving constitutes an exclusive domestic industry for them. These textiles, especially those of sinamay and jusi, are of domestic consumption and are also exported to Manila and other provinces. With the competition of the textiles of other provinces their manufacture is becoming more and more perfect in quality and above all in color, those manufactured in Lipa and Taal being noted in this respect. It is probable that the cultivation of silk, which has been commenced in Nasubu, and which, as I am informed, promises flattering production, will have much influence on the development of this industry in the future.

Other industries, such as the manufacture of hats, bull sacks, rattan chairs, etc., are on a small scale, and in just about the same condition as during last year.

PUBLIC INSTRUCTION.

According to our division superintendent of schools, the number of pupils was 9,865 in March, 1908, and in the same month of 1907 only 9,160, an increase of 696 for the fiscal year 1908. Last year ₱4,260.28 were expended for the construction and repair of municipal school buildings.

The increase in the number of pupils last year was not so large as was desired, owing, in my opinion, to the fact that many children attended the Catholic and private Latin schools. The Catholic schools are progressing greatly, as in all the municipalities the convents have their schools with numerous pupils, and in some, such as Lipa, the Centro Catolico establishes schools in the barrios also. On the other hand, the private Latin schools are well attended, and in some of them, as those of Taal and Balayan, the attendance is so large that the number of professors has not been adequate.

Various municipalities plan to construct new schoolhouses during the present fiscal year with the school funds increased by two-eighths of the land tax imposed this year. The provincial board also allots this year ₱19,364.47 for the repair of the provincial school building and for the construction of an industrial school and of an agricultural school. We believe that we can, with these appropriations, meet the most urgent needs of our provincial schools and give better facilities to students desiring proper instruction in agriculture and industry, very important branches to the inhabitants of these municipalities.

PUBLIC HEALTH.

No epidemic has been reported in the province during the year, and although some isolated cases of smallpox appeared, yet owing to the timely measures taken and to extended vaccination, the disease did not spread. As always, malaria affections broke out anew in January, February, and March, although there were not so many victims as in years past. It is observed that pulmonary tuberculosis is spreading in this province, and that it has many victims annually, which is, in my opinion, due rather to contagion than to climatic and

other exterior conditions, which are healthful. Contagion is due in most cases to ignorance of the rules of hygiene on the part of the sick as well as of those about them.

After the lepers and those suspected of leprosy had been collected from the municipalities in a suitable place on the beach of this capital, 65, after clinical and microscopical examination by employees of the bureau of science, were transported to Cullion January 17 last on the coast-guard cutter *Basillan*.

Not having received returns of births and deaths from the municipal secretaries, I regret that I can not include herein a report thereof. I am at present taking steps to regulate this service. Based upon the statements from the municipality of Lipa, which has sent complete monthly reports, we can deduce the approximate figures for the whole province. During the year Lipa had 2,359 births and 920 deaths, and of the latter 608 were children and 312 adults. The births were more than double the deaths, and of the latter almost twice as many were children as adults; there is, therefore, a notable increase in population, but the infant mortality is terrible.

Of the 17 municipalities, only 5—Lemery, Taal, Bauan, Batangas, and Lipa—have physicians who are university graduates for presidents of their municipal boards of health, while the others have only practitioners, or persons not in the medical profession.

I would recommend to the bureau of health to impose upon municipal physicians, if they have duly graduated, the giving of two hours per day to free consultations with the poor and, when giving prescriptions, to explain, when there is occasion for it, sanitary measures against contagion from tuberculosis and the proper manner of caring for children.

Respectfully submitted.

G. APACIBLE,
Governor of the Province of Batangas.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF BENGUET.

OFFICE OF THE GOVERNOR,
PROVINCE OF BENGUET, P. I.,
Baguio, August 1, 1908.

SIR: I have the honor and the pleasure to report continued peace, contentment, and prosperity throughout the province of Benguet during the past year, which seems to be universal among all classes of our citizens, the native Igorots, Christian natives, Asiatics, and whites. All seem to be better off and with brighter prospects than a year ago. There has been no failure of crops, no malignant pest among animals, though here and there rinderpest has broken out, only to be promptly prevented from spreading and forced to die out. There has been no epidemic of disease among the people, and for the first time since American occupation we can report the birth rate exceeding the death rate in this province. This is doubtless owing to the fact that with prosperity the Igorot natives do not require such heavy labor on the part of the women, and have better food, clothing, and homes. Much attention has also been paid to sanitation about their homes, which has had its beneficial effect, though there is still opportunity for material improvement in this particular.

That peace prevails among our civilized inhabitants as well as our barbarians is shown by the following extracts from court reports:

Since December, 1903, there has been submitted to the court of first instance 25 civil cases, of which 4 have been within the past year. The criminal cases before this court since the same date number 85, of which 16 have been within the past year.

There have been only 298 criminal cases in the justice of the peace court since civil government was established in December, 1900, of which 86 were during the past year, and during the same period there have been but 57 civil cases, of which last year there were 23.

There is no overwhelming demand for lawyers in Benguet.

STOCK AND AGRICULTURE.

It might be well to call attention to the fact that the Igorots of Benguet are the only Igorots who take enthusiastic interest in horses and who ride and breed them. There are now registered in the province over 2,000 ponies and fully half as many more colts under 2 years of age. They take more kindly than expected to the advantages in breeding offered by the government stock farm, and it is to be hoped that in a few years the size and quality of the Benguet pony will be materially improved. Young and old, there are 25,000 head of cattle now ranging the hills of this province, which, together with hogs, goats, and sheep, make a total of more stock animals than men, women, and children in Benguet. This shows a wonderful increase in wealth in stock since American occupation, there being here in 1901 less than 1,200 head of what is termed large cattle, which includes all ponies, cattle, and Carabao. The wealth of our natives has been further augmented by a great increase in area of cultivated land and variety in agricultural products. Coffee continues to be the only product raised for export, and there is a commendable disposition on the part of the Igorots to increase their holdings in accordance with the advice of their officials who are instructed to continually urge the planting of coffee around every house in the province. Of good, large Irish potatoes like those we eat in the States, 3,917 baskets have been sold here, the local demand exceeding the production. When one considers the high prices willingly paid for potatoes and that they may be as easily grown in Benguet as in any part of the United States, it is surprising that Americans do not take advantage of this certain method of making a good living in a climate far nearer perfection than the one they left in the States and which in all likelihood they term home. With potatoes as a staple product and such side enterprises as coffee or stock, the prospects of a settler here or, in the absence of land laws, a squatter, who has patience and is not afraid of work, would be bright indeed. My Chinese cook surprised me with celery grown on the hillside above my provincial residence which equaled in every respect the best Kalamazoo variety. One acre of such celery would be worth more than the average government clerkship. Mr. G. F. Haight, an American farmer, is raising all kinds of American vegetables, for which there is a ready market in Baguio. We want more producers. The demand for fresh-grown vegetables is a hundred times greater than the supply, and is increasing. If men will not come here as squatters and start small truck farms, I respectfully submit that the land law should be applied to that part of the province outside of the Baguio town site to encourage homesteaders to locate. There is a large and more certain field in agriculture in Benguet than in mining, but there is also something doing in mining.

MINING.

During the past year 33 applications for patents for mines have been filed and 331 mining claims have been recorded. The mining fees were ₱1,668. There are 18 stamps in operation—6 each at the Bua and Benguet Consolidated and 3 each at the Copper King and Camote. The Bua Mining Company report cleaning up ₱10,000 worth of gold for the month of June. The Benguet Consolidated are taking about 35 ounces of free gold off their plates each week in addition to their cyanide returns. New mills are ordered for the Headwater Group and Camote, and every indication points toward greatly increased activity in the mining industry the coming year.

ROADS AND TRAILS.

There are now trails over which one on horseback may reach all the barrios in the province. They are not on any uniform grade, but are fair mountain trails easily traveled and satisfactory for the purpose for which constructed.

This is a mountainous province, and it has taken six years to make these barrios accessible to even this extent. This having been accomplished, it seemed desirable and feasible in the further construction of trails to lay them out on a low and uniform grade (that of 5 per cent maximum being decided upon), so that if demanded they could be widened into wagon roads and no labor be lost. With this end in view, there has been constructed this year 40 miles of new trail of not to exceed a 5 per cent grade. Nearly 30 miles of such trail has been made from Baguio over the mountain ridge toward Suyok in Lepanto. Much rock has been encountered in this construction, entailing expense and delaying progress, but it is expected to be made passable for ponies by January 1, 1909. This inter-provincial trail work is being pushed southward from the Lepanto-Bontoc end

by the officials of that province. This trail reaches an altitude of 7,000 feet, cuts through high cliffs, over dizzy precipices, and through a beautiful oak forest above the pines. Its importance will be the connecting of the mining district of the two provinces by a practical trail, which may be widened a little each year until it reaches the dimensions of a wagon road. The survey for such road will at least be on the ground. It avoids all rivers, and when completed will be passable at all times of the year. This same type is also being constructed from Bagulo to Ribsuan, between Benguet and Union provinces. The road work between Bagulo and Bua was all dirt work, consisting of merely widening a low-grade trail and ditching the same. Road work between Bagulo and La Trinidad was heavy rock, heavy ballast and metaling. Work on all these trails and roads should be carried to completion as rapidly as labor, funds, and weather will permit. There has been expended by the province on road work this year ₱13,356.97 and about 60,000 days' work from the ten days road tax law, most of our natives working ten days instead of paying ₱2, there being, fortunately, only ₱2,573 collected from road tax.

BUILDINGS.

In other public work our townships, aided by the province, have maintained their buildings and trails and built new ones as follows:

Bugulas, besides improving its tribunal, has constructed a schoolhouse 70 by 30 feet, one story high, of good, fine lumber, with grass roof.

Cabayan built a two-story schoolhouse, with teachers' quarters, all timber, turned over its old tribunal to be used as an additional school building for girls, and has nearly completed a fine large new presidencia in a location more desirable and central for the township.

Daklan has completed a large two-story school building, all timber.

Capangan has hewn out lumber nearly sufficient in quantity for a school building of the same size and plan as that of Bugulas, and will complete its erection the coming year.

Disdis transferred its old tribunal to Sablan, the new capital of that township.

Bagulo erected a fine market building at a cost of ₱6,126.37. This market was opened for trade the latter part of March, and revenues therefrom during April, May, and June were ₱299.10, nearly 20 per cent per annum on the investment from the first.

For the vast improvements and progress of the town site of Bagulo, as well as that of the Benguet road, a detailed report will be found in the report of the bureau of public works, which was in full charge of both.^a

All of which is respectfully submitted.

WM. F. PACK,
Governor of the Province of Benguet.

The GOVERNOR-GENERAL, Manila, P. I.

REPORT OF THE GOVERNOR OF BOHOL.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF BOHOL,
Tagbilaran, July 15, 1908.

SIR: In compliance with the provisions of Act No. 1044 of the Philippine Commission and the circular from your office of May 27, 1908, I have the honor to transmit herewith my annual report for the fiscal year ended June 30, 1908.

Although it is only four months since I assumed the responsibility of serving my province in the office which, through the vote of the people, I hold at present, I shall endeavor to report to you in outline the general condition of Bohol, as I saw it on my trip through the island during the months of May and June last.

The relative prosperity in which the inhabitants live, in general, is due, in the first place, to the fact that property is so distributed that there are few families who have not their piece of ground which furnishes them with what is absolutely necessary for a modest living, and in the second, to the life of inter-

^aA financial statement of the province has been omitted and is on file in the Bureau of Insular Affairs. War Department.

insular traffic and the fishing industry, of which the Boholanos are fond and which gives them sufficient to live tranquilly and honorably. Such is the love of these inhabitants for the life of the sea that in many municipalities it takes work and time to find day laborers.

If the province had not lost 95 per cent of its large cattle in the outbreak of rinderpest in 1902 and 1903, it would be much more happy and prosperous than it is to-day, because Bohol had probably the greatest number of large cattle of all the provinces of the entire Philippines. The markets of Manila, Cebu, Iligan, and others were supplied with cattle from here years ago.

Notwithstanding such great losses and the complete ruin which has been caused, various families of cattle raisers, the people of Bohol, undismayed, search for just and reasonable means to recover in some manner their lost opulence, working hard and traversing the seas in frail boats.

AGRICULTURE.

Although, as I stated above, the Boholanos are very much given to trade and fishing, they do not on that account abandon agriculture, the principal source of life, which now as in days past, in spite of the lack of work cattle, is the object of preferred attention on the part of landowners. In this province the number of parcels of land of private ownership which are not cultivated is very small.

Rice, corn, camoteng-cahoy, palao, and other nutritious tubers are the commonest crops and are seen in all parts.

The planting of cocoanuts, abaca, sugar cane and maguey takes on greater proportions from day to day.

The last crop of rice and corn of the year 1907 and the first crop of the present year would have been unsurpassable if there had not been so much water and if the locusts had not devastated the plantations.

COMMERCE.

All the companies that have ever existed in the province, engaged in mercantile transactions, have been declared bankrupt after a bare two years' existence, owing either to the little confidence of the shareholders in the directors of the enterprises or to bad administration, and for this reason almost all the business has passed into the hands of the Chinese. With the exception of a few shops of insignificant importance which sell dry goods and gewgaws of little value exclusively with Filipino capital and regularly managed by Filipinos, it is the Chinese who are masters and control all business on a large scale.

ECONOMIC CONDITIONS.

In view of the facts that property in the province is well distributed and that the great majority of the inhabitants, apart from having their own land to cultivate when they are with their families, are much given to traffic and to fishing, the people of Bohol, if not rich, are not poor, either, and are contented and happy, so much so that during the famine of 1904-5 no case of death from starvation was heard of, nor were any beggars seen in the streets begging bread.

One of the proofs that the people are not in very bad economical condition is that, notwithstanding the knowledge that there is in the provincial treasury ₱90,000 for public works, apart from ₱100,000 more of the insular treasury for the Loboc-Bilar road, it is difficult to find laborers who care to work for more than a week, and if they do so for that length of time, it is solely to comply with promises made the municipal councilors to work by turn on such works.

FINANCIAL CONDITION.

The books of the provincial treasury show the following balances of provincial and municipal funds June 30, 1908:

General fund.....	₱40, 884. 56
Road and bridge fund	91, 860. 78
School fund.....	5, 948. 69
Municipal deposits.....	3, 000. 00
Deposits, miscellaneous	250. 00
Total.....	141, 942. 01

PUBLIC INSTRUCTION.

The interest which is awakening in the souls of the people in instruction and education is constantly becoming greater, and the beautiful picture which is seen, even in the smallest barrios, of children and youths eager for education, going to the schools with happy faces and contending for entrance into them, where, in great contrast to the old system, all is fraternity, democracy, and useful teaching, causes emotion in the hearts of those who are no longer young. Since the Government inaugurated in the islands the present method of making the children of to-day the intelligent men and liberal citizens of the not very distant to-morrow, the change which has taken place in the psychology of the new people is truly prodigious.

The province is divided into 16 supervising districts. We should like to divide it into 19, but for lack of capable and available personnel it has been necessary to consolidate some districts, thus reducing them to 16.

The number of pupils matriculated in the school year of 1907-8 was: Males, 9,461; females, 8,011; total, 17,472. The average attendance has been: Males, 7,284; females, 6,101; total, 13,385.

At present primary instruction in the province is in charge of 16 American male, 4 American female, and 155 native male teachers, of whom 134 are municipal and 21 insular teachers, 3 of the latter being supervising teachers and 106 native female teachers, of whom 105 are municipal teachers and 1 an insular teacher. The corps of teachers in the Tagbilaran high school is composed of 3 American men, 4 American women, and 3 Filipino men.

Although the two buildings for the provincial high school and the school of arts and trades were opened barely a year ago, the carpentry and masonry work is beginning to deteriorate. The bulk of the lumber employed in the construction of these buildings is of inferior quality, and the cement used in the footings must have been small in amount and out of proportion, judging from the way they are beginning to crack and crumble in various places.

The municipality of Duero, on the other hand, although small and lacking resources, possesses a schoolhouse, which, although not yet finished, greatly excels the two which the province has.

The people, making a desperate effort, are spending the last cent of their funds. The building, in the condition in which it is, has cost ₱9,000—₱4,000 in cash from municipal funds and ₱5,000 in voluntary labor.

The arrangement of this building, once it is completed, will be unsurpassable, and will be adequate for an intermediate as well as a primary school, since, according to the plan, it will have, in addition to the upper story, which is already finished, a lower story with an elevation of $1\frac{1}{2}$ meters above the earth. It is being built beside the sea, with an immense square, and will accommodate from 350 to 400 persons in the upper story alone.

INDUSTRIES.

There is no industry in the province so effectively exploited as that of weaving sinamay, in which the greater part of the women are engaged. The methods used, which were perhaps invented by our ancestors of pre-Spanish times, are antiquated and so deficient that the most skillful weaver barely earns a peso a week.

Saguran, woven with thin strips of buri leaves, is the product which follows sinamay in importance, and then come mats of ticog, pandan, and buri, and pineapple, cloth, abaca nets, and rope.

POLITICAL CONDITION.

As always, the political condition of the province continues unsurpassable, complete peace and tranquillity ruling in each and every one of the municipalities. The laws are obeyed by the people with love and respect, and peace agents have almost nothing to do.

The constabulary, which has had no representation in this province for more than two years, is to-day being reorganized, not because the needs of the service so require, but purely as a precautionary measure and to keep an armed force before the eyes of certain persons who do as they please among the ignorant and timorous, deceiving them with stupendous promises. Fortunately, many of the fanatics who permitted themselves to be tricked and who have realized that it would do them no good to continue belonging to this kind of an association—

the tendencies of which they did not succeed in discovering—and that their money was being taken from them on any pretext whatsoever, have deserted it, some of them going so far as to leave their homes and emigrate to other places for fear, as they say, of the ire of a certain person who is the recognized chief of the faction.

SANITATION.

During the year and, fortunately, for more than four years past, the province has been free from the diseases ordinarily considered as communicable and dangerous. Owing to systematic vaccination there has not been a single death from the epidemic since November 12, 1906, when the last case of smallpox was reported. In 1904 there occurred 903 cases with 160 deaths, 671 cases with 96 deaths in 1905, and 254 cases and 24 deaths up to November 11, 1906.

The most important work of sanitation effected during the fiscal year 1908 was the sending of 83 lepers to the Cullion leper colony, the vaccination of 298,613 persons, and the establishment of 43 new cemeteries, 35 old cemeteries having been ordered closed on account of their being unhygienic and saturated with cadaveric matter. This required a minute examination by the district health officer of this province.

The following comparative table shows the number of deaths and births from 1904 to March 31, 1908:

Comparison of births and mortality from 1904 to March, 1908.

Year.	Deaths.	Annual mortality per 1,000.	Births.	Annual birth rate per 1,000.
1904	5,611	20.80	9,087	32.81
1905	4,580	16.39	9,084	32.69
1906	3,487	12.61	9,541	34.52
1907	3,589	12.98	10,284	37.20
1908*	902	18.09	2,818	40.90
Total	18,119	15.42	40,764	34.71

* Three months only (first quarter), January 1 to March 31, 1908.

• Average.

As is seen, the average mortality has been gradually and constantly diminishing.

I do not mention here the recommendations which I am planning to make to you, because I prefer to make them personally when I come to the capital.

Respectfully submitted.

M. SARMIENTO,

Governor of the Province of Bohol.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF BULACAN.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF BULACAN,
Malolos, July 31, 1908.

SIR: I have the honor to transmit herewith my report for the fiscal year ended June 30, 1908:

PROVINCIAL AND MUNICIPAL ADMINISTRATIONS.

If governing consisted exclusively in maintaining peace, enforcing the laws, carrying on public works, and administering justice, I would venture to affirm that the provincial and municipal governments of the province of Bulacan ought to merit a high degree of efficiency.

Provincial as well as municipal officials desired anxiously to preserve good public order and performed their duties in conformity with the laws in force, and the public works permitted by provincial and municipal funds have been generally carried on. I believe the government of Bulacan compares favorably with that of the most advanced provinces of the archipelago, which is due not solely to the chief executive thereof, but also to the culture and good sense of the officials and inhabitants.

During the year no elective municipal official has been suspended from office, and the very few complaints presented against any have either not been substantiated or did not result in removal.

PUBLIC ORDER.

The following is a brief review of the disturbances of public order occurring from July 1, 1907, to June 30 of the current year:

Matolos.—December 19, 1907. Encounter of the municipal police under the immediate orders of the chief thereof and the writer with a party of evil doers, resulting in the death of one of the latter and the capture of 1 Springfield rifle, 2 Remingtons, and 2 blade arms.

Meycawayan.—Two assaults; July 19 and August 19, 1907.

Paombong.—Three assaults; July 1, August 29, October 18, 1907.

Bulacan.—One assault; August 29, 1907.

Baliuag.—One assault; August 30, 1907.

Santa Maria.—Five assaults; one hold up, September 19, December 8, 1907, January 29, February 4, February 10, February 11, 1908.

Calumpit.—One assault; November 1, 1907.

Meycawayan.—One assault; April 21, 1908 (6 Carabaos stolen, returned to owner).

Hagonoy.—One hold up; June 2, 1908.

Quingua.—One assault; April 19, 1908.

Santa Maria.—One assault, one hold up; April 26, May 3, 1908.

This information clearly reveals the present condition of public order. Considering the topographical situation of the province, with its long range of mountains and coast municipalities, the special conditions through which it is passing, the fact that the rice crop for this year fell 50 per cent below the regular yield, we must conclude that in Bulacan love of peace and honorable labor are accentuated.

On March 25 the constabulary which had been stationed in this province was, after consultation with me, transferred to another place where it was greatly needed.

This transfer is giving the municipal police and officials of Bulacan an opportunity to demonstrate more worth and more efficiency in the performance of their duties in maintaining peace. This assertion is confirmed by the assault at Dampol, municipality of Quingua, in which the wrongdoers barely had time to flee, because of the timely aid given by the inhabitants of the barrio and by the municipal police, without having succeeded in stealing anything; and the important capture effected by a lieutenant councilor of Meyto, municipality of Calumpit, of a criminal named Celestino Visita, armed with a Springfield rifle, who had escaped from the provincial jail of Bataan.

During the fiscal year the writer and the municipal officials of the province secured the capture of 3 Springfield rifles, 2 Remington rifles, 3 revolvers, 1 shotgun and 2 blade arms, which were all delivered to the senior inspector of constabulary of Bulacan for proper deposit.

It is to be supposed that the wrongdoers made use of these arms or of some of them to effect the assaults, always committed with firearms, which occurred the first months of this year, and I believe their capture will have great effect in the future in reducing the number of assaults and hold ups.

During the year there occurred 24 fires, 3 of which caused great havoc in the municipalities of Baliuag, Quingua, and Bocawe, all of them without any loss of life or limb, and were accidental.

Thefts of carabaos, which always give provincial and municipal administrators much to do, were committed with equal or less frequency than during the previous year. Notwithstanding the efforts made and the special attention given by the writer to its suppression, this evil, which causes such great damage to agriculture, continued, although with less damage. It will be well remembered: that in my report for the fiscal year 1907, I said that after a tenacious campaign undertaken against cattle thieves, the number of thefts of carabaos had diminished considerably.

That was so true that while the cases commenced against supposed cattle thieves were awaiting a hearing, and while they were being heard by the court of first instance, the terror which overpowered these criminals was so great that for a very long time no theft of carabaos was committed. When the complaints presented against those supposed cattle thieves were dismissed the evil reappeared. The fact that Act. No. 1147 not being in force in Manila, work animals are still easily registered there, and cattle thieves thereby find a good market for the fruit of their depredations, stimulates them as does also certain deficiencies in the laws.

To-day thefts of work animals are effected in a very singular manner. A farmer loses an animal. The owner seeks an agent or good hounds, quite noted for this class of work, to find it. The agent privately and secretly comes to an understanding with the cattle thieves, who agree that the animal shall appear, certain conditions being stipulated, and the owner is notified by the agent employed by him that upon payment of a certain fixed sum, less than the price of the animal, it will probably be found, giving as a pretext that the money will be used in searching for the lost animal. The owner, contented and pleased, consents to the proposal, and the following day the animal is found tied in the interior of a forest. It is to be noted that in such cases it is very difficult, if not impossible, to obtain data which reveal the truth of the facts, and even the owner of the animal himself refuses to become a witness in these cases. This change of procedure is doubtless due to the insecurity and the danger to which the thieves expose themselves by keeping the animals in their possession or by trading with them within this province, because they are so keenly watched.

PUBLIC WORKS.

Greater impulse has been given to public works than in the previous year.

At the expense of the provincial funds and by order of the provincial board 127 culverts were constructed on the several highways. The Bustos-Quingua, Santa Maria-Bocawe, Paombong-Hagonoy, Malolos-Quingua, Malolos-Paombong, Malolos-Bulacan, Bulacan-Bigaa, Quingua-Baliuag, Bustos-Angat roads were repaired and the Malolos-Calumpit road is under construction. The bridges on the Quingua-Bustos road, the Calabingcojo bridge, and those of San Vicente, municipality of San Miguel, Paombong, and Hagonoy were repaired. Many ferries were established in the rivers, over which no bridges have been constructed because of insufficiency of funds, at the expense of the provincial treasury for the benefit of the municipalities, and two bridges of reinforced concrete were built out of the municipal funds of San Miguel and Bulacan, in the barrios of Tigpalas and Santa Ana, municipalities of San Miguel and Bulacan, respectively.

The lands of the province situated in Malolos, where are located the provincial government buildings, were and are being improved and beautified by planting trees, constructing culverts, and repairing streets by the insular prisoners.

Besides the artesian wells constructed in the towns of Malolos, Bulacan, Guiguinto, Bigaa, Bocawe, Marilao, Meycawayan, and Polo, out of municipal funds, under the supervision of the bureau of public works, the province, with the apparatus invented by Mr. Richard W. Goodhart, treasurer thereof, to drill artesian wells at a very reduced price, varying from ₱100 to ₱150, bored 3 artesian wells in 3 of the barrios of the municipality of Malolos, 1 on land of the province, 2 in 2 barrios of Bulacan, and is sinking some others. The construction of these artesian wells in the barrios is under the control of the provincial treasurer, the province paying part of the expense, the inhabitants of the barrio spontaneously offering to stand the price of the pipes and to work without pay on work of this nature.

The different municipalities, with very few exceptions, displayed prodigious activity this year, the class of work undertaken in and at the expense of the municipalities being the repairing of municipal roads and bridges, repairing of buildings, installing of public lights, and the construction of municipal buildings and of landings and parks in the public plazas, etc. Among these may be mentioned the construction of a landing and of a beautiful park in the public plaza of Malolos; of another park in the plaza of Calumpit, of the public market, which is still under construction therein; of the municipal road of Lagundi, municipality of Quingua, and of the municipal road of Baliuag, which starts from the public plaza and takes the direction of the railway station, and of a

municipal road giving Pullian, municipality of Quingua, communication with the municipality of Balluag, which, because of their importance, stand out prominently. So many other public works have been completed in the municipalities as to be too numerous to enumerate in the present annual report.

Within a few days the construction of the Bulacan school of arts and trades, contract for which has been let, will begin, and it is hoped that in the coming year I shall have the satisfaction of reporting its completion.

AGRICULTURE.

In spite of the fact that agriculture leaves much to be desired, as it is still in almost a primitive state, I have the satisfaction of stating that of the 303,807 hectares of area, including the mountain lands of San Miguel, Santa Maria, Angat, Norzagaray, Meycawayan, and Polo, of perhaps 200,000 hectares, approximately 104,810 are under cultivation; that the production exceeds the consumption, and that agriculture in all its different branches, such as arboriculture, horticulture, floriculture, aviculture, including stock raising and pisciculture, although on a small scale, is general in the entire province. Fertilizers are used in the municipalities of Polo, Meycawayan, Bocaue, and in some districts of Malolos, and crop rotation, which permits the land to recover its primitive vigor, has been adopted in various municipalities.

The agricultural products are various, the principal ones being palay, sugar, corn, camotes, cacao, coffee, cocoanuts, tobacco, betel, tuba, ilang-ilang, and an infinity of vegetables, such as radishes, sitao, incamas, etc., which are sent to the Manila market.

Notwithstanding the great desire to furnish exact data as to the quantity of agricultural products annually gathered, it is impossible to do so, as they are transported by means of small boats, the owners of which do not keep an account of their cargoes.

In view of the above, our palay and sugar crops are estimated upon the area of cultivated land at the rate of 20 cavans per hectare for palay land and 10 pilones per hectare for sugar land, and on this basis Bulacan must harvest 1,504,680 cavans of palay from its 77,484 hectares of palay land and 68,290 pilones of sugar from its sugar-cane land.

Arboriculture.—The inhabitants already know quite well the value and utility of ilang-ilang, and the municipalities of Quingua-Pullian, Bulacan, Balluag, Malolos, Paombong, Polo, and San Rafael possess thousands of this plant. The sale of its flowers in the distilleries of Manila already constitutes a resource for Quingua-Pullian, Bulacan, part of Balluag, Paombong, Polo, and San Rafael.

The municipalities which engage in weaving hats of bamboo or buri, cigar cases, mats, etc., are beginning to appreciate the value of sabutan and to cultivate this useful plant, which is very similar to Panama, but very much stronger. In order to encourage the planting of useful plants, the provincial board has appropriated ₱1,000 for the purchase of seed to be distributed throughout the province.

To further the cultivation of textile plants we are beginning with a large maguay seed bed, the seed therefrom to be later distributed in the province. Abaca does not do well here. Jute and cotton seeds have been ordered, and we are beginning to plant mulberries for raising silkworms.

To encourage the cultivation of tinctorial plants we propose to establish large arnotto-tree nurseries, and to stimulate the culture of oleaginous plants we tried setting out lumbang, which, unfortunately, did not succeed in germinating seeds, although the palo-maria grows in abundance on the river banks. We also intend to recommend the planting of cocoanuts, of which there are already many groves in the barrio of Matiktik of Norzagaray, on coastal lands and on mountain sides.

The planting of fruit trees, among which can be mentioned the santol, ates, banana, guava, chico, and above all the mango, of which in an exceptional year one tree in Pullian produced 1,500, is well stimulated by their productiveness. The pineapple is also produced in large numbers.

Horticulture.—The planting of vegetables, such as turnips, mustard, native beans, cucumbers, and squashes, is very extensive in the municipalities of Malolos, Calumpit, Balluag, part of Meycawayan and Polo, and many families maintain themselves by selling them in the Manila markets. This year many have tried planting cabbage with seeds from the bureau of agriculture.

Floriculture.—Floriculture is known among wealthy families as an adornment, and is now extending itself to the middle class, but no one has as yet made a business of it.

Aviculture.—Aviculture is spreading in various municipalities, in spite of the fact that incubators and breeders are not used. Duck raising on a large scale is carried on in Malolos, Paombong, Calumpit, and Hagonoy, and duck eggs constitute an article of commerce in our markets.

Cattle raising.—Cattle raising formerly constituted a lucrative industry, but in view of the frequent epidemics of rinderpest has disappeared, and they are barely beginning to raise some scores of cattle in Pulongbuhangin and Balasing, barrios of Santa Maria, and many raise sheep and goats.

Pisciculture.—The propagation of fish, or rather of the *baguis* or *zavalo*, has acquired much importance in the last few years, owing in part to the opening of new railway lines and in part to the notable decline in the price of tuba, on account of the internal revenues, and in consequence many owners of nipa lands have converted them into fisheries, which to-day occupy an area of 6,002 hectares 84 ares and 64 centiares.

It would be very useful and lucrative for those engaged in this industry to know the method of preserving these fish in cans for exportation.

INDUSTRIES.

The general condition of the industries is not entirely satisfactory, as the people are still far from producing goods which satisfy their pressing needs, such as textiles, porcelain ware, glassware, etc., although some branches of industry have increased greatly this year.

Fishing industry.—The inhabitants of the coast towns, such as Obando, Meycawayan, Marilao, Bocawe, Bulacan, Malolos, Paombong, and Hagonoy, are much given to fishing.

They employ all the kinds of fishing tackle which the other provinces or municipalities engaged in this industry use, such as fish corrals, large and small fish nets, such as the *pukot*, *colocotoc*, *salambao*, etc., and with the product of this primitive industry many poor families of these municipalities supported themselves quite well and would continue to support themselves by it if it were not for the competition of the Japanese who, with their special fish net and a boat with only two persons, catch from ₱30 to ₱40 pesos worth of fish per boat every day.

The municipalities which adjoin the mountains, such as Santa Maria, San Jose, Angat, Norzagaray, San Rafael, San Miguel, and San Ildefonso, are very much given to hunting rather for pleasure than for gain.

Many residents of San Miguel, Angat, and above all of Norzagaray engage in cutting timber, *bojo* bamboo and *bejuco*, and with what is secured not only fill the orders of the province for buildings, but sell immense quantities to the great sawmills and to the *bejuco* and bamboo merchants of Manila.

Recently there have been a few persons engaged in collecting the guano deposited by the great bands of bats in the peaks of the mountains of Angat, Norzagaray, and San Miguel, with the result that many persons have applied for these guano deposits.

The great iron mines of Angat and San Miguel, which are found on the surface of the earth, occupy thousands of hectares, and are scarcely touched by some proprietors of Angat, who with very primitive apparatus manufacture plow points and supply the whole archipelago. These mines would be better exploited if it were not for the long and costly lawsuit begun by one Maria; who appears to claim the ownership of the whole mine.

There are large quarries in Angat, Santa Maria, Marilao, and Meycawayan which are scarcely worked, except that in Meycawayan, from which Manila and other provinces are supplied with stone quarried for building purposes.

Domestic industries.—These family industries have developed greatly this year, owing, perhaps, to the poor crop. Every family has endeavored to produce everything to satisfy its needs, yet in spite of this effort has not been able to do so, although they wove mats and hats and made sandals, chairs, baskets, textiles, etc., in their respective homes.

Home industries.—This branch of industry is very similar to that preceding, with the sole difference that everything resulting from domestic industry is for the exclusive use of the family, while that resulting from home manufacturing is to supply orders from others. There is no end to the home industries in the different municipalities, beginning with the makers of all kinds of furniture of wood and bamboo, those who make clothes, shoes, slippers, clogs, and Malolos sandals, down to those who weave clothing, hats, mats, cigar cases, sacks, fans,

and other ornaments made of tigi and nipa leaves, which are also woven for roofing, and including those who work in silver, iron, zinc, and tin, etc.

The great hat stores of Manila are supplied with bamboo hats woven in Malolos, Calumpit, Quingua, Pullan, and Balluag; the Japanese sandals made of balangut in my province are those sold in Manila and neighboring provinces, and the silk handkerchiefs which the sinamay dealers sell in Binondo are the famous Balluag silk handkerchiefs.

Shop manufactures.—In all the municipalities of the first and second class and in some of those of the third and fourth are found shops on a large or small scale, such as tailor, shoe, and slipper shops, saddleries, silversmiths, blacksmith and carriage shops, and chair, cigarette, and nipa factories.

The narra furniture made in Balluag and Norzagaray meets with good demand within the province, while rattan chairs, manufactured in San Miguel and greatly resembling Vienna chairs, find a ready sale in the whole archipelago because of their elegance and solidity. The bamboo chairs made in Quingua-Pullan and Guiginto also have a large sale in Manila, because of their cheapness, and those produced in San Rafael from pine petroleum boxes are beginning to meet with favor in this province solely on account of their cheapness and their resemblance to narra chairs.

The jewelry manufactured in the numerous shops of Meycawayan with the aid of electrical apparatus for gilding the silver meets with large sale in Manila and the southern provinces.

The clogs manufactured in the clog shops of Meycawayan and Polo, and the bolos, knives for cutting palay, made in the blacksmith shops of Meycawayan, are used in many parts of the archipelago, Meycawayan having no competitor in these industries except Marikina and Apalit.

There are also in this municipality camarines engaged in tanning leather, although in an imperfect manner as compared with that tanned in America and Europe.

Since the inauguration of the internal-revenue tax many cigarette factories have been closed, although there are still some in Malolos, Balluag, and Bocawe.

In the municipalities having nipa swamps many families engage in preparing this palm for roofing, and all the nipa houses of this and the surrounding provinces, except Pampanga, which also engages in this industry, are covered with these nipas.

Mechanical industries.—In this class are included all the alcohol distilleries which distill by means of steam power, steam rice, steam sugar, and animal-power mills, and soda-water factories.

In spite of the internal revenue, some distilleries continue distilling in the municipalities of Malolos, Paombong, and Hagonoy, and in the latter a great distillery belonging to Inchausti & Co. is being constructed.

With the rise in the price of rice the past year the number of rice mills multiplied. In San Miguel we have 8, in San Ildefonso 1, in Balluag 5 (one of great capacity), in Bustos 2, in San Rafael 1, and in Calumpit 1. There are also 4 of quite large capacity, especially that belonging to Smith, Bell & Co., in Malolos 5, in Bocawe 6, in Quingua 1, in Marilao 1, in Meycawayan 1, in Polo 1, and in Obando 1. There is a good crop.

Animal-power or steam mills are used for manufacturing sugar in Malolos, Calumpit, Quingua, Pullan, Balluag, San Rafael, Angat, Norzagaray, and Polo.

HEALTH AND SANITATION.

Public health has been relatively good, although not quite so flattering as in the previous fiscal year. The isolated cases of cholera and those of small-pox, together with the presence of the former in the northern provinces, which is at present threatening this province, confirms this belief.

Owing to the efforts of the municipal officials, cholera, which appeared in October and November, 1907, did not succeed in spreading through the province. The observance of proper private hygiene by the mass of the inhabitants and the precautions taken by the municipal executive officials and their health employees contributed to this result.

The smallpox epidemic, notwithstanding the vaccinations made continuously with great activity, appeared quite severe in some localities, but it is to be hoped that with the sanitary measures at present taken to prevent the spread of this disease, and with the rainy season coming on, this epidemic will not increase, but will soon be localized.

Private and public hygiene continue their progressive march, and great hope is entertained that as soon as all the municipalities have drilled their artesian wells, as Malolos, Bulacan, Bigaa, Bocaue, Marilao, Meycawayan, and Polo have done, the public health of the province will greatly improve. It is doubtless true that potable water greatly influences the health of the towns, and that when the use of unhealthful water from wells and rivers gives way to that of the crystalline waters of artesian wells sanitary conditions will be very much improved.

During the fiscal year 107,006 inhabitants were vaccinated, the number of births was 11,493, and that of deaths 7,343. There were 445 cases of cholera, from which 335 deaths occurred.

NATURAL RESOURCES.

The working of the iron mines, mentioned in my previous annual reports, continues in its primitive state of development, and unless large capital comes to its aid the utilization of this wealth will continue stationary.

No other iron mine nor any other metal whatever has been discovered this year, while on the other hand 6 guano beds were located in Norzagaray, municipality of Angat.

The forestal wealth of the municipalities of San Miguel and Santa Maria are worked on a small scale, no change having been made, which, in my opinion, would signify development in its utilization. These municipalities have various classes of timber of different groups hidden in their mountains, the solidity and strength of which greatly exceed, as I have already stated, the timbers ordinarily imported into America. It is presumed that either lack of capital or that of practical incentive, or because the true importance of this wealth has not yet been realized, are the principal causes of the little development which has been noted in their exploitation.

As was to be expected, the removal of the rocks obstructing the passage of forestal products in the Bayabas and Ipo rivers of Norzagaray, municipality of Angat, has greatly assisted the exploitation of this wealth in the mountains of that locality, and undoubtedly resulted in the greater development observed this year in the utilization of the forestal wealth of those mountains.

In addition to the mineral waters from the Sibul Spring, municipality of San Miguel, the fame and celebrity of which are well known throughout the whole archipelago, there should be mentioned the healthful mineral waters which flow from the Norzagaray Sibul Springs, which possess different chemical properties, although almost identical with those of Sibul, San Miguel. This spring is situated in a place favored by a better topographical position than that of the Sibul, San Miguel. The water from the Marilao artesian well is acquiring great fame as being medicinal for diseases of the stomach.

PUBLIC INSTRUCTION.

During the school year 1907, comprised in the fiscal 1908, the province had 118 schoolhouses, and 180 Filipino and 22 American teachers.

The number of pupils matriculated in the public primary schools was 9,246, with an average daily attendance of 7,444; in the high school, 268, and in the intermediate schools 609, the class attendance being good, and estimated at 82.8 per cent.

The province paid municipal male teachers an average salary of ₱25.25, and municipal female teachers ₱25.65.

During the present school year, which began in June of this year, 8,889 pupils matriculated in the primary, 573 in the intermediate, and 104 in the high schools.

Considering the number of children, approximately 22,750, it is evident that public instruction, although relatively satisfactory, is not absolutely so.

However, as the school term has just begun, and the efforts made by municipal officials to have a larger number of children enter school, the hope is cherished that after a couple of months there will be a larger number matriculated in the public schools than at present.

It is to-day impossible to make all the children attend the public schools, inasmuch as private schools, some of which, governed by parish priests, and competing with them, still exist in many municipalities, and because the greater number of the children belonging to rich families are sent to the different centers of learning in Manila.

COMMERCE.

The principal articles of commerce are rice, palay, sugar, molasses, corn, camotes, sugar cane, ilang-ilang, nipa wine, cigarettes, fish, jewelry, clogs, balangut sandals, bamboo chairs, bamboo baskets, bamboo and burl hats, bamboo cigar cases, bamboo fans, and some ornaments, such as paper racks, of bamboo and tigbi.

Rice.—All the rice cleaned in 40 rice mills is handled by natives, except that from Smith, Bell & Co.'s mill in Calumpit.

Palay.—This product is also in the hands of natives of this province, who are in the habit of buying it up at harvest time, when as a general rule the price is relatively low, and store it in their warehouses to sell it when a better price can be obtained. Some of these merchants, possessing small lighters or hiring them, go to Pampanga or to Nueva Ecija to make their purchases of palay, while others go to Tarlac and ship it on the railway to store it in their warehouses while waiting for a good price.

Sugar.—Sugar intended for home consumption is dealt in by the natives, who are in the habit of straining the sugar until it is white and clean and then sell it in the markets of the province. A large part of the sugar produced is also, because of its good quality, sold to the Chinese in Manila, who engage in making caramels, which they pack in large jars and sell in the entire archipelago.

Unfortunately, the sugar-exporting business is in the hands of the Chinese. This is due to the fact that the sugar manufactured in this province is packed in pilones and not in one-picul sacks, as is done in Iloilo, Negros, Ilocos, etc. Foreign houses do not purchase sugar in pilones, and none of the residents of this province engages in packing sugar in sacks and in selling it directly to the foreign houses to obtain the benefit which the Chinese secure in this business.

Molasses.—Molasses, which is specially prepared from white sugar cane cultivated in Polo and is put into large jars, has a large sale in the north and is the special product of Polo, as it is not prepared in other sugar-producing municipalities. It is sold at ₱10 for a jar containing 16 gantas.

The molasses which filters from the sugar pilones is mixed with water and given to horses to drink. Wine is also made of it and it is sold to the distilleries.

Before the internal revenue went into effect the price of molasses varied from ₱100 to ₱150 per 100 cans, but since then it scarcely reaches ₱50 per 100 cans.

Ilang-ilang.—The flower of this tree has a large sale in this province, and many of the residents of the municipalities of Malolos, Paombong, Bulacan, Quingua-Pullian, Baliuag, and San Rafael engage in buying and selling it. They sell it to the only distillery in Manila, which is in the habit of fixing the price, and I believe that when the number of ilang-ilang distilleries is increased, and when the flowers can be exported directly, it will acquire a greater price.

Vino.—The amount of business done must be large judging from the amount the province pays for this product and for cigarettes, which amounts to nearly ₱500,000. Of this amount the collection from cigarettes is insignificant, but, unfortunately, trade in this product is in the hands of the Chinese and of Inchausti. Companies at various times have been formed to engage in this traffic, but were unable to compete with the Chinese and had to abandon the business.

Fish.—The wholesale and retail purchase and sale of the fish known as bangus zabalo constitute a constant and important traffic.

The fisheries occupy an area of 6,002 hectares, and some 500 bangus can be raised on each hectare, from which it is deduced that some 3,001,000 bangus are raised in Bulacan per year. A great number of this fish is sent to Manila, some to the markets of the province, and others to the northern provinces reached by railway.

Cigarettes.—In former years almost the only cigarettes sold were those manufactured in Malolos, Baliuag, San Miguel, and Bocaue, but since the great Manila factories, such as the Germinal and Sevillana, have employed travelling salesmen after the European and American fashion, the small factories have begun to decline.

Fowl, eggs, and hogs.—Not a few chickens, turkeys, pigeons, hogs, and eggs are sold in the markets of Malolos, Calumpit, Baliuag, and Bocaue. They are transported to Manila in small lighters and on the railway.

Large numbers of duck eggs are hatched in Paombong, Hagonoy, Malolos, and Calumpit, while in Malolos and Calumpit artificial incubation has been introduced for preparing balut eggs for sale in the markets of the province.

Corn, camotes, and bananas.—The tumanales, or river lands formed of alluvium, of Calumpit, Quingua-Pulilan, Balluag-Bustos, Angat, and Norzagaray, produce corn, camotes, and bananas in abundance.

Much of this corn and camotes is transported to Manila in small lighters, and part is sold in the markets of the province.

Bananas and other fruits such as santol, guava, ate, and pineapples are also sold in our market, and in view of the fact that many of the inhabitants have planted on their lots (which are assessed at a high figure), banana and other fruit trees, the value of the products mentioned has fallen considerably in the market.

Spiny bamboo and white sugar cane.—Because of their double utility large amounts of spiny bamboo are sold, as it is used not only in the construction of houses but for fish corrals, baskets, and sawali. The greater part of the white cane, called "sambale," which is sold in the markets and shops of Manila, comes from Polo and Iba, Calumpit. The planting of this cane constitutes a great resource for the people of Polo, Malolos, and Calumpit.

Nipa, vinegar, and tuba.—It is unnecessary to ponder over the demand for nipa and the consumption of vinegar made therefrom, but it is enough to remember that up to the present time no other roofing for houses of light and mixed materials is known, although kogon is also used for roofing, but not much, as it is too combustible.

Vinegar made of tuba is the condiment used by all Filipinos in the different preparations of fish and meat, and is also used on salads and greens.

FINANCE.

The province has undoubtedly had a more floating life than during the fiscal year 1907.

Its receipts were ₱181,386.98 and its expenditures ₱139,345.38, while during the fiscal year 1907 they were only ₱148,198.42 and ₱128,434.96, respectively.

There was on June 30 this year a balance of ₱42,041.50, as compared with ₱19,773.46 on June 30, 1907.

The following is a comparative table of municipal receipts and expenditures during the years 1906 and 1907:

	Receipts.		Expenditures.	
	1906.	1907.	1906.	1907.
General	₱187,981.65	₱199,905.11	₱141,704.30	₱164,705.30
School	94,844.06	95,007.37	41,997.31	43,529.74
Cemeteries	1,228.75	1,878.75	.....	.....
Special	12,374.66	8,618.43	8,756.23	639.27
Total	296,429.12	305,409.66	187,457.84	208,874.31

The province would have been able to undertake very many and important public works, and could have increased its funds this year if the double cedula had been adopted, but, unfortunately, an inherent depression in the financial condition, due to a very bad crop and the public opinion then prevailing against such action, prevented assent to such measure.

POLITICAL CONDITIONS.

The existence of two great political parties, both independent—the Unionists and the Inmediatistas—gave rise to strenuous struggles in the elections for representatives, and for provincial and municipal executive chiefs. To advance their respective candidates, neither party spared any kinds of campaigning, and made use of all the means in fashion in America, and perhaps more, such as the platform, the press, ties of family, friendship, business,

etc., in spite of the existence in the several municipalities of various associations of a social, moral, and religious nature.⁶

Notwithstanding the continual political and religious struggles, and the controversies of the numerous associations of a social nature, the province, fortunately, has not experienced any disturbance of a political, religious, or social nature.

In the election for representatives the Unionists proved to be very strong in advancing their respective candidates, and in the past election for elective executive chiefs, they also triumphed in the municipalities, except only in Bulacan, Obando, and Paombong, where the Inmediatista candidates were elected. They were defeated, however, in the provincial election for governor and third member.

It is to be regretted that these struggles of political parties continue even after the elections, to the damage of public interests. The useless waste of energy which is displayed in a work of destruction, when that energy is needed for the work of construction, is very lamentable, for in these critical moments we have to solve so many problems and constantly have to combat so many calamities that we need to unite all our efforts to regenerate the country and to work out its prosperity.

RECOMMENDATIONS.

Politics.—The following is recommended under this head:

(1) To remedy the evil due to the constant struggles of parties and political factions, which have, in many cases, degenerated into personal strife instead of a struggle of principles, and, on some occasions, instead of inuring to the welfare of the country, of the province, or of the municipality, have been only for the welfare of the party or political faction. I suggest that pure patriotism be taught in the public schools.

(2) Erect more and more monuments in honor of the true Filipino patriots, which shall serve as a stimulus to patriotism for the present as well as for future generations.

(3) Cultivate the patriotic feeling of the masses on the platform, in the pulpit, in the press, in popular stories and in songs, and private conferences.

Agriculture.—To stimulate agriculture, I recommend:

(1) That theoretical and practical knowledge of agricultural science be generalized in such manner that every farmer shall know what kind of plants ought to be planted in land of such and such a quality, what kind of fertilizer is needed by such and such a plant, and what element should be added to such and such land to adapt it for such and such seed.

(2) That the methods of farming be improved by employing machinery, if possible, to diminish the cost of production, to increase the amount thereof, and to improve the quality.

(3) That land as well as water transportation be improved so that these products can reach the markets easily and at less cost.

(4) That the *aparceria* system be reformed so that the laborer can be sure of his product and capital be better protected.

(5) The speedy extension of irrigation systems.

(6) The speedy establishment of the agricultural bank and of cooperative associations like that of Reiffeissen, Schulze, etc.

(7) That more markets for agricultural products be opened; and that for this purpose an effort should be made to the end that in the commercial treaties of America with other powers Philippine products may enter those countries with less duties.

Industries.—To stimulate the mining industry with respect to quarries, it is necessary that the government patronize it by recommending its use in public buildings. There are in the country an infinity of buildings, and many private houses, such as churches, bridges almost a century old, which have withstood the strongest earthquakes and the action of other elements.

With respect to iron, I suggest that large companies with modern apparatus be organized for the exploitation of this important product, as there has been a very significant demand for it since the construction of buildings of concrete reinforced with iron rods was introduced.

⁶ A list of these associations has been omitted, and is on file in the Bureau of Insular Affairs, War Department.

With respect to fishing, I suggest that new fishing apparatus used by the countries engaged in this industry, such as that employed in Holland, Japan, China, etc., be introduced into this country.

To stimulate domestic industries, I suggest that some teachers, or persons not teachers, having special aptitude for this branch of industry, be commissioned to go to Japan to study the different courses there, which are well received in Europe, and to introduce later knowledge acquired in our schools.

I also suggest that plants used in domestic industries, such as buri, anahaw, sabután, panama, be planted, if possible.

For the development of mechanical industries I suggest, in the first place, that every facility be given for the introduction of machinery, and that capable men be sent to study as may be useful to this country, hand machines for making undershirts, knitted trousers, half hose, silk cord, laces, steel pens, pipes, trays, wooden dishes, etc.

It is advisable that schools of industrial engineering be opened as soon as possible, as knowledge of this character will find an open and virgin field in this country, and that from time to time local fairs be organized where the progress of industry, agriculture, art, etc., can be exhibited.

Commerce.—For the development of local business it is necessary:

(1) To establish, first of all and as soon as possible, credit societies, such as government banks, cooperative associations of credits, such as Reiffeissen, Schulze, etc., if only in the provinces and in all important municipalities.

(2) That land as well as water transportation be improved and cheapened. The former can be accomplished by offering franchises for the establishment of at least one other line, as competition improves and cheapens service, and every monopoly is prejudicial to general interests. Improvement of water transportation, the natural and cheap method, can be secured by deepening some short sections of the rivers and by opening new canals.

(3) That the provinces and municipalities be granted loans for the speedy construction and repair of roads and bridges.

(4) That the spirit of association be fostered to collect capital, to save money, and to reduce personnel in administration.

(5) That a league with reserve capital be formed among the producers of an article of commerce, such as palay, sugar, etc., so that their products can not become the object of an injurious combination of great capitalists or merchants.

Administration of the province.—In order that the municipal police service, which is the principal arm of the executive, may become more efficient and more economical, I suggest that the present law be changed so that the personnel thereof shall not be dependent on politics, on the president, or on the councillors.

The selections for this body and their continuation therein should be based solely on their good conduct and good services, there should be no other ground for their expulsion than misconduct, and the provincial board should be the one having authority over it.

Under the existing law the municipal police corps has no incentive, as it very well knows the moment a new president and new councillors are elected who are not of their party or who do not favor them they are, as a general rule, dismissed from the service without taking into account their good conduct, good services rendered, and the knowledge acquired during their term of service.

As at present organized the municipal police corps can not act with entire independence in the performance of its duty. It necessarily has to act in accordance with the policy of the president and councillors, and if the president is a man imbued with high public sentiment and, consequently, eager for every good for the municipality, then the police will render excellent services; but if, unfortunately, the people chance to elect an indifferent president, little zealous for the betterment of his municipality, then the police will always be indifferent and apathetic in the performance of their duties; and if, through some chance, the people should elect a president very fond of gambling and little scrupulous in making money on stolen animals, the police can do nothing but consent to all the prohibited games and to consent to thefts of animals, and other depredations.

Under this very defective organization a large amount is being expended, as the province has at present 165 municipal policemen. The sum total of their salaries, which comes out of the municipal funds of the respective municipalities, is ₱32,228 per year. I firmly believe that with a corps of provincial police of 50 or 60 chosen and well-paid men the service can be carried on with efficiency, economy, and fidelity, by distributing them in the different municipalities

and putting them under the orders of the president, without depending exclusively on him, and 2 or 3 in each municipality, according to its importance, and by reserving some 10 or 15 in the capital to be mobilized as necessity required the service would be much more efficient, especially so if we have some constabulary posts in strategic points as a reserve force.

Public works.—The following is recommended:

(1) In spite of the fact that many public works have been erected this year, I believe that more can be carried out, and perhaps with more economy, by putting, in the first place, the supervision of work costing not more than ₱500 under the provincial board.

(2) Once the cost of such and such a piece of work is known, give it out by piecework in small sections. For example, if the cost of a road of certain height is 50 centavos a square meter when made by a regular laborer on day's wages, gives it out as piecework in sections, taking this day labor as a basis, and by this method the wages of the foreman is saved and a larger amount of work will be secured, as we have as a basis a contract filled by a regular laborer.

(3) With the supervision of public works of the amount stated in the hands of the provincial treasurer in accordance with Act No. 1401, it can not be expected that all the work of an entire province can be well inspected and attended to, in spite of the good will of that official, like the one whom I have, who is a worker, because with his department alone he almost lacks time for his duties as provincial treasurer.

With supervision divided among the members of the provincial board, it may be expected that public works will be better looked after, as the governor, as a general rule, has little to do, especially when there are detachments of constabulary in the province. The governor, being in the locality, is acquainted better than a strange treasurer with the cheapest and most efficient laborers and knows where good and cheap materials can be obtained, and in case any public work is neglected is always held responsible.

Public order.—To stop or lessen thefts of work animals it is necessary, in the first place, to put the new cattle law into effect as soon as possible, and that new means of identification and proof of ownership of animals—a complete register from their birth to their death—be devised.

That an effort be made to fix and clinch the belief that any person who commits a theft or participates in it or conceals it will be severely punished, and to stamp out the conviction, common at least in this province, that anyone can steal with impunity provided he has money to pay lawyers. This has arisen from so many dismissals of trials for theft. To secure this result it is necessary to use extreme care in the selection of fiscals, endeavoring to appoint men who possess a knowledge of law and are public-spirited.

Let these cases be heard as soon as possible and let the guilty ones be punished as soon as possible, for if the cases are heard after two or three years and the alleged criminals are at liberty on bail during this interval, they are in the habit of committing other crimes. To remedy this, I suggest that judges be appointed for each province at a slightly smaller salary than that paid at present.

Public instruction.—To remedy the apathy of some and the competition of private schools, which do nothing but waste time uselessly, I suggest that public instruction be made compulsory up to the age of 14 years, as is done in Germany, France, etc.

Sanitation.—To remedy the excessive percentage of mortality in this province and in the whole country in general, it is necessary that the rules of sanitation be known even in the most remote corners of the municipalities and that the Filipinos have faith in these rules; that the sick, especially the poor, be attended to in time, and that the instructions as to the care of children be known and followed, through conviction, by mothers.

To secure this I suggest that municipal physicians be compelled by law not to be in their offices the whole day in their respective municipalities, but that they remain in them one hour only, in order to dispatch correspondence, and that they go to the barrios the remainder of the day to attend to the sick poor and to lecture on the rudiments of hygiene in the barrios.

Respectfully submitted,

T. SANDIKO,

Governor of the Province of Bulacan.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF CAGAYAN.

[Translation.]

OFFICE OF THE GOVERNOR,
Tuguegarao, July 9, 1908.

SIR: I have the honor to transmit herewith my report for the brief period I have had charge of the government of the province of Cagayan.

ADMINISTRATION AND PROGRESS OF THE PROVINCIAL GOVERNMENT.

It is a satisfaction to record the normal, unembarrassed, and intelligent progress of the provincial government and administration, due to the loyal cooperation of the inhabitants, to their knowledge and practice of their civic duties, to the existing laws and institutions, to the adaptability of the inhabitants to these laws and institutions, as well as to their peaceable habits and love of peace and order.

The intelligent labor of the municipal councils and the fitness and encouragement of all of the officials in the performance of their respective duties have also contributed to this success.

AGRICULTURE.

Agriculture is in a stationary condition, and there has been no progress therein owing (1) to the primitive methods handed down from father to son, to the persistent use of primitive agricultural implements, and to the repugnance to adopt new methods and to believe that in agriculture nature does not act without the aid of science. Under such conditions it is not strange that the hard and constant daily labor of the tiller of the soil does not produce the results which it would were the methods and implements suggested by agricultural scientists employed; (2) to the want of mutual responsibility among agriculturists, at present and in the past, and to the lack of all protection and aid in their most pressing necessities, both during the cultivation of the crops and in the purchase of seed and work animals; (3) to the lack of legal titles, it being estimated that only 5½ per cent of the numerous and extensive tracts of lands in the province have acquired legal titles under the old legislation prior to the passage of Act No. 496; (4) to the scarceness of population in comparison with the extent of the province; (5) to the continual mortality of cattle for the past fifteen years; and (6) to the difficulties of communication and transportation.

The province of Cagayan, owing to its situation, fertility of soil, and abundant water, which is available for extensive irrigation, is essentially an agricultural province, and in this branch of activity should engage only in the cultivation of tobacco, which is its natural product, and in the breeding of cattle, owing to extensive and fertile grazing zones.

The frequent north winds which blow with great force in Cagayan valley exclude the possibility of other crops for which the soil would be adaptable.

Being essentially agricultural, supreme effort is necessary to free such industry from the evils mentioned, which have caused its prostration and decadence in this province. It well deserves a better future, on account of the richness of its soil and of the public wealth, which it formerly enjoyed, and of the honest loyalty of its inhabitants to the constituted authorities and their obedience to the laws established.

Better experts would discover more correct solutions than the following, which I take the liberty of mentioning:

(a) That in the municipal, secondary, and provincial schools preference be given to the teaching of agriculture and that practical instruction be given during fixed periods when the soil is prepared for the sowing of crops, preferably to young people, by practical explanations on the ground or where farmers live.

For this purpose it would be advisable and beneficial that in the corps of teachers assigned to this province 3 experts in agriculture be included and that they shall be obliged to give such information to farmers as has been mentioned.

(b) The early establishment of an agricultural or land bank which shall make advances to agriculturists on the security of their animals and crops to an amount proportionate to the value thereof, so that the agriculturists may thus be freed from the voracity of the usurer and from the impositions of the merchant.

The decadence, undervaluation, and prostration of the tobacco crops, which are not due and can not be attributed justly and solely to the farmers, suggest

as a remedy the prompt establishment of an entity, call it bank or corporation, having as its object the loaning of money to the farmer on the security above mentioned. The fundamental cause of such decadence, undervaluation, and prostration is the lack of protection to them by an entity which, at moderate interest, would provide the small amounts necessary to meet pressing necessities which can not be deferred, such as rice or corn for their sustenance, clothing to shelter them and their families, coal oil or oil for light, and money for their personal and land taxes.

The complicated, long, and heavy work of tobacco growing, from the scattering of the seed, transplanting, and other labors until the leaf is marketed, takes from the grower the time necessary to cultivate other crops, so that the tobacco grower, as a rule, produces and gathers tobacco only, and for this reason must purchase everything else.

The poverty of the tobacco planter makes it necessary for him to consume all of the proceeds of his harvest, if he does not reach the extreme of mortgaging future crops, and it is impossible for him to save in order to meet contingencies, which must be looked after before and at the time his tobacco crop is being made ready.

Owing to the difficulties mentioned, planters are obliged to prepare the tobacco leaf without the time necessary for its proper curing, which would redound to its greater appreciation and higher quality. In consequence they offer the leaf without such curing, and the merchants, taking advantage of their condition, make such classification and price as will bring themselves the greatest profit, certain that the planter must succumb.

If there should be some entity, bank, or society which would supply the tobacco planter with the small amounts of needed money, he would have the time necessary to prepare the tobacco for market, would be encouraged to look after his plants in the field with greater care, and would produce leaves of excellent quality, which from 1883 to 1890 were sold as high as ₱60 Mexican a quintal for first class and ₱50 Mexican a quintal by lot, unclassified.

To sum up, the lack of protection to the planter which compels him to extract his profits from the soil and to curtail the benefits his plantations stand in need of, together with the ambition of the merchant, who does little or nothing for the producer, owing to his desire to market his merchandise promptly, so that money may be rapidly put into circulation, are the true causes of the decadence, undervaluation, and prostration of the tobacco crops, and, as a result, of agriculture in this valley and the province of Cagayan.

(c) A rapid, unembarrassed, and economic system of land titles, exempt from the hardships of the present method, which requires applicants to show a complete chain of legal and written titles.

No one is unaware that all agricultural and town lands in this province, and perhaps in the other provinces of the archipelago, were originally acquired by occupation and cultivation; that is to say, they were forest lands and were put in condition for cultivation by the first occupants, who did nothing afterwards, although it must be admitted that several laws were enacted tending to favor any occupant who established his right to the parcel or parcels of land cultivated and occupied by him.

Such occupant should not be deprived of the piece of land watered with his sweat and made fertile with his sacrifices, and the following is suggested:

That a person who can satisfactorily show that he has occupied for ten or more years a piece of land without opposition or prejudice to anyone, and whose claim to title has not been contested during the time allowed for the filing of a counterclaim, should be adjudged the property rights and the title applied for, and that the same should be granted to his grantees even where conveyance has been effected without written documents.

In order to avoid possible fraud or prejudice against absentees the time for contesting a claim might be made as long as discretion would advise, taking into account distances and the facilities for travel.

Surveyors paid by the government should be assigned to the provinces to make a survey thereof by pueblos, as they charge such high fees that many property owners would dispose of their properties for the costs of survey if they could get such prices.

(d) A law to regulate the relations between landowners and laborers, whether tenants or day-laborers. The provisions of the civil code in force on this matter are very deficient, and do not cover the most frequent cases of divergence of interests between them. An enactment thereon, liberal and equal

to all, and based on the mutual need of landowner and laborer reciprocally to assist one another without placing the latter in an inferior and subordinate position, would be very beneficial to agriculture.

HIGHWAYS OF COMMUNICATION.

During a great part of the year the roads are impassable and transportation would be difficult were it not for the Cagayan River, a slow stream and not free from obstacles.

The building of roads and wagon roads is not difficult, but their maintenance, owing to frequent and copious rains and to the overflow of rivers and innumerable streams, is almost an insoluble problem, unless permanent brigades of road laborers, stationed at fixed places, are established to make prompt repairs.

The necessity of establishing such brigades is great in this province because of its depopulation, extensive zones being uninhabited.

The writer, in view of the difficulties in maintaining roads and wagon roads and of the scarcity of funds, is of the opinion that the opening, reestablishment, and maintenance of roads and bridges should be placed under the direct control of the central government, and that it should be made incumbent upon the provincial boards and municipalities to see that the work petitioned for is carried out and to designate where the work should be done. Formalities would thus be avoided, and the continual demands for financial assistance and loans, by provinces and municipalities from the government, would cease.

INDUSTRY.

The province being essentially agricultural it is not strange that the manufacturing industry, the principal source of public wealth, is maintained without any impulse but in its embryonic and incipient state.

The only industry at present is the building of boats at the port of Aparri, which does not yield the earnings of twelve years ago owing to the decadence and impoverishment of agriculture.

The alcoholic industry, the sole sign of life and the principal source of revenue to the pueblos of the west, Abulug and Pamplona, died entirely, not wholly because of the requirements of the internal-revenue act, but also of the prohibition of the method and apparatus used in distillation, with which the industrials of those pueblos are familiar, a prohibition which, if lifted, would bring again an era of prosperity and would result in considerable increase to the revenues of the State.

Permission to use their own methods and apparatus might be granted until the distillers and owners of extensive plantations of nipa have an opportunity to earn the money or get the capital with which to acquire the apparatus now legally required.

I have not the least doubt if given an opportunity they will be able to meet the requirements of the department of internal revenue and to secure the modern apparatus for distillation, as this would be beneficial to their interests and would improve the quality of their products.

Permission to use the old apparatus will not be incompatible with the use of the packages prescribed by the department of internal revenue to prevent frauds.

COMMERCE.

Properly speaking, commerce in this province consists principally in the purchase of tobacco and is in the hands of a few foreign companies, such as La Insular, Compañía General de Tabacos, El Oriente, and Weber's firm, houses which, having large capital, acquire nearly all the tobacco produced, amounting as a rule to some 127,000 quintals a year—that is to say, for each crop.

Owing to depressingly low prices in Manila, and the fact that the said companies are the same as those that in the Manila market establish and regulate the tobacco business, there are very few growers and small buyers working on their own capital who take their tobacco to that market, where the most incomprehensible of anomalies occurs in that the prices there are less than in this province, where it is produced, and indicates an understanding among the capitalists to keep under their imposition the growers, who succumb because of a lack of mutual interest between them and of an organized effort to champion their protection.

La Germinál, an important tobacco company of Filipino capitalists, has begun to establish in some pueblos of the province agencies for buying leaf tobacco, though not on as large a scale as desired.

In the majority of the pueblos there are bazaars owned by Chinese, with a capital of from ₱10,000 to ₱20,000; especially is this so in the port of Aparri.

There is some commercial movement on the Cagayan River by means of boats, known as barangayanes, in which the merchants, generally Chinamen, carry cloths, rice, sugar, salt, and other staple articles from town to town, for the purpose of sale or exchange for leaf tobacco; this traffic is conducted in about 40 barangayanes, each having a stock worth from ₱2,000 to ₱6,000, each year.

Properly speaking, it can not be said that there is any commercial life in this province except the business done in tobacco by the companies mentioned, the cause thereof being the depression in agriculture and the lack of highways of communication.

The only commercial highway generally used is the river Cagayan, and for this reason it should be improved so that navigation, if only from Aparri to Tuguegarao, should be practicable at all times.

The cost of the improvements desired would be great and consequently could not be made by the province without the help of the government.

They should consist of cleaning the river at certain places for many miles and in the neighborhood of Afusing, barrio of Alcala, and of the pueblos of Iguig and Solana. With such improvements the important pueblos of Lal-loc and Camalaniugan would at the same time be saved from the destruction which now threatens them and the bar at Aparri would always be open and there would occur no closure, as happened during the months of October to December of last year, when the steamers trading between Manila and Aparri were unable to enter, greatly to the prejudice of the inhabitants of this province, who suffered the consequent increase of more than 50 per cent in the price of merchandise, freight and passenger rates.

PUBLIC INSTRUCTION.

It is very satisfactory to me to be able to report the flourishing condition of public instruction in this province as revealed not only by the large attendance at the municipal schools of the pueblos and barrios, but by the advancement and aptitude of the pupils in all the branches studied and in constant emulation shown by them.

It can be stated that the majority of the youths of this province of from 8 to 18 years of age understand and read English, and in time, with the young pupils, who will become the men of the future, I can augur greater success in the administration and government of the province.

In the midst of this era of progress in education, it is desirable that the inclination of the young should be directed preferably to the study of branches yielding the most immediate and positive results, demanded by the condition of the province preferably to agriculture, architecture, cabinetmaking, and veterinary science.

FINANCE.

The financial condition of the province is as follows:

Salaries, July 1, 1907, to June 30, 1908.....	₱33, 256. 04
Office supplies, July 1, 1907, to June 30, 1908.....	2, 780. 29
Permanent equipment, July 1, 1907, to June 30, 1908.....	1, 782. 98
Provincial funds on hand.....	50, 492. 60
Tax receipts, July 1, 1907, to June 30, 1908.....	1, 116. 87
Reimbursement from the insular treasury for same.....	15, 070. 98
Receipts for cedulas July 1, 1907, to June 30, 1908.....	55, 197. 00
Funds deposited in insular treasury.....	35, 321. 94
Funds deposited in bank.....	50, 000. 00
Total provincial funds.....	135, 514. 43

PUBLIC HEALTH.

It is excellent, owing to the climate and to the benign temperature of the province. Current diseases are paludic fevers (easily combatible with a little care of the patient), and dysentery, which is contracted not as endemic but by personal carelessness, consisting in some cases to colds, to excess in the use of alcoholic beverages, or to bad food. It is rarely of a serious character.

There are numerous lepers in some pueblos of the province, who, through negotiations by the provincial government, will be rounded up by the municipalities where they are found, and isolated as soon as the construction of the dwellings to be used by them are finished, while the director of health is deciding that they be collected in this province and transferred to the island of Cullon.

NATURAL RESOURCES.

In nearly all of the forests there is an abundant variety of woods of all groups, especially those known as amaguís, baticulin (here magal-layao), betis (malini), calamansaray, calantas, guijo (curibo), ipil, lanetan, molave (amugauan), narra (antagan), and yucal (here banutan).

Timber is most abundant in the pueblos of Pefablanca, Baggao, Gattaran, Buguey, Camalaniugan, in the barrios of Uangag Cassambalangan, and San Vicente, and in Pamplona, Sanchez Mira, and Claveria, there being, however, very few people in the lumber business, because of the great difficulty, often insuperable, of transportation and of hauling from where cut to streams or places for delivery.

As to minerals no definite information can be given since the natives have little inclination for this industry, and there is no capital to risk in this class of undertaking.

POLITICAL CONDITIONS.

There is an intimate connection between the social condition and the political condition, and the inhabitants having made progress in the former, the latter has as a consequence notably improved and will still continue to improve in the near future.

Fortunately for the dignity of mankind, the inhabitants, especially the farmers and ranchers, have taken pains to learn about the liberal and equalizing existing institutions, and with a knowledge thereof and their confidence in a righteous administration of justice, they have recovered their personal liberty and independence, separating themselves entirely from the humiliating and exploiting domination of the caciques, and valiantly performing their civic duties, as was fully demonstrated on the occasion of the recent elections in the exercise of the right of suffrage. They did not put aside their convictions, but gave their suffrage to those whom they considered most worthy, without permitting themselves to be intimidated by the caciques, and I am glad to attest to the honest loyalty of the inhabitants of Cagayan to the constituted government, and to their peaceful habits and unremitting industry.

There has not been the slightest disturbance of public order in the province.

NONCHRISTIAN TRIBES.

In the jurisdictions of some of the pueblos there are families of these tribes who live side by side and in complete harmony with the Christian inhabitants.

There are some families of Kalingas, in the pueblo of Enrile, and in Tuao, Plat, Santo Niño, and Mauanan, and some Aetas in the pueblos of Alcala, Gattaran, Lal-loc, Camalniugan, and Aparri, those living in the jurisdictions of Abulug, Pamplona, Sanchez Mira, and Claveria, being included in the sub-province of Apayao. I do not know why they were so included, as they are within the jurisdictional limits of the municipalities just named and I have concluded to request information on this matter from the lieutenant-governor of Apayao.

This provincial government asked the presidents of the pueblos mentioned for the names of all of the non-Christian residents in their respective jurisdictions, and prescribed the methods to be employed in dealing with the members of such tribes, the provincial governor having decided to visit and assemble them in the places in which they reside, with the intention of winning them over without violence to civil life, and especially of persuading them to send their children to the schools nearest their most permanent places of residence.

The difficulties in the way of making a report on these tribes and of knowing their most habitual places of residence account for my not yet having the desired information, which can not be found in the records of the provincial government.

In the eastern part of the pueblo of Gattaran, toward the Pacific range, formerly called the Paranan Mountains, there is a considerable group of remontados, descendants of the first remontados, who had been inhabitants of several pueblos of this province and had become outlaws and taken to the

mountains. The authorities have paid no attention to them, doubtless on account of the difficulty of penetrating the fastnesses of their refuge.

A month ago I came to an understanding with them, through my agents, and they are inclined to receive me and to accept the organization of a barrio government with a proper official of their own whom I will appoint in a short time, when I go to interview them.

Respectfully submitted.

CRESENCIO VICENTE MASIGAN,
Governor of the Province of Cagayan.

The GOVERNOR-GENERAL.
Manila, P. I.

Report of the Lieutenant-Governor of Apayao.

[Translation.]

OFFICE OF THE LIEUTENANT-GOVERNOR,
SUBPROVINCE OF APAYAO, CAGAYAN,
Tauit, June 30, 1908.

SIR: I have the honor to transmit the following annual report for the period beginning July 13, 1907, and ending June 30, 1908:

The subprovince of Apayao was created by Act No. 1642, and the writer, appointed lieutenant-governor thereof on May 13, 1907, took charge of his office on July 13 of the same year. This subprovince is composed of 112 rancherías of the following tribes: 76 Tingulian, 21 Kalinga, and 15 Negrito, with a population of 53,206 souls.

Prior to my arrival at Tauit, the capital, I communicated to the natives that they were going to be governed. Having this in view I took advantage of the friendly relations existing between the Tingulian and a resident of Abulug, one Domingo Laddarang, a former go-between of the Spaniards and Tingulian when the former had a military post at the place called Capinatan. Laddarang proceeded to the ranchería of Burayutan on July 4, 1907, and returned to Abulug four days thereafter, accompanied by several residents of the rancherías of Guenned, Bubulayan, Burayutan, Tauit, and Lalangan.

My first conference with the Apayao was full of difficulties, as they showed much mistrust regarding the announced organization, remembering, perhaps, the inflexible treatment accorded to them by the Spanish garrison; but they finally yielded to my authority after lengthy explanations. They did not fail, however, to insist that neither white priests nor Ibanag soldiers should be brought there. The former they do not want, because they remember the offense committed by a white priest against the daughter of the sacristan mayor of the former mission of Capinatan, which resulted in an uprising of the inhabitants thereof and of Futol, against those priests and the Spanish rule. The Ibanag soldiers they do not want, because they fear a repetition of the Guenned calamity, when the column commanded by Major Crawford reduced all the houses of that ranchería to ashes.

As the story goes here, the offense against the daughter of the sacristan mayor of Capinatan was committed approximately one hundred years ago, judging by the fact that none of the old people still living witnessed it. It is said that prior to this uprising nearly all the inhabitants of Capinatan and Futol were Christians, but that their number has been decreasing since then, until none are left.

They also emigrated to other places, and at present there are no inhabitants at the two points mentioned, and there remain only the lonely walls of their churches and parish houses, deteriorated by the action of time.

In the ranchería of Nagsib-banan and at the place called Nabugayan, there are also the walls of unfinished churches and parish houses, those of Nagsib-banan having been built by the people, who subsequently revolted, and those of Nabugayan by the friars.

For the establishment of the government of Apayao, there was provided a constabulary company, consisting of 46 enlisted men and 2 officers, of which 11 men and the writer proceeded to the ranchería of Burayutan on July 13, 1907. On July 16 the location of the government house and barracks was chosen, and though it was not exactly the place designated by law, yet I believe I gave the proper interpretation of the intention of the legislator, that it be behind the mountains, near Guenned.

A place called Bagu, belonging to Tault and situated 75 feet above the level of the Apayao River, having an area of 3 hectares, was the site set aside for what we now consider a pueblo. Doctor Abad, of the constabulary of Tuguegarao, says that the sanitary condition of this place, owing to its elevation, could not be better.

In August, 1907, the work of felling and clearing away the trees on the place designated began, and in September following, the first uprights of what is now the government house were planted. During this month 11 constabulary of Tault made their first expedition under the command of sub-inspector, Ferrandez, marching as far as Guenned, where they remained twenty-four hours.

In October of the same year I began my visits to the rancherías, going to Bubulayan, Nagbac-caan, Guenned, Waga, and Bulu, and remaining in them during the time necessary to inspire the inhabitants with confidence.

Upon beginning my visits to the rancherías, I deemed it prudent not to have any soldier accompany me, for the following reasons:

(1) When I accepted the appointment of lieutenant-governor of Apayao I knew perfectly well that under the Spanish régime the Spaniards had never been able to subdue the inhabitants thereof, because of the rigorous policy followed, and that for ten years they showed the greatest hostility to the representatives of the Spanish Government.

(2) I desired to avoid having my mission interpreted and suspected as a hostile demonstration.

(3) I wished traveling to be easier, knowing that the natives of Apayao are not accustomed to carry the impedimenta of the soldiers or to furnish supplies to them.

(4) I wished to employ in every way possible a policy of attraction and to lay the foundation for a people knowing its duties and rights and actuated by their own will and not by fear.

Now, after having been almost a year in Apayao, I and others with me, who have had an opportunity to visit Tault, observe something that was never to be seen in the past—small bands of Christians, Tingulans, and Negritos on both banks of the Abulug River as far as Tault, hunting and fishing together, and their children playing together on the sand as if they were old acquaintances. The voyage as far as Bulu, by barangayan, is now attended by no danger for the country people.

This is the result of the policy followed by me, but I must not forget the moral aid due to the presence of the constabulary at Tault, because it can not be denied that the sight of these men has a great deal of effect on the ill-intentioned. I can say, however, that unless given reason to do otherwise, the natives will always respect any government officer. The best evidence of this are my frequent visits to the rancherías, on many of which I am not accompanied by any soldier, although I notice here the want of an appropriation of ₱100 monthly, for three years, at least, for presents.

I continued calling at the rancherías in the neighborhood of Tault in November, 1907, and in January, February, and March of this year, until I had visited all, from those of the Kalingas, on the heights of Mauanan, to those of the Negritos, at Sanchez Mira.

In March, 1908, the government house was not completed, although inhabitable, and in April following the provincial governor of Cagayan came to see my work.

In May and June, 1908, I made visits to the rancherías of the Negritos near Abulug and to those of the Tingulans near Claveria, as far as the heights of Vintar, Ilocos Norte, and at this writing have not returned to the capital.

Though my administration has been satisfactory during this year, I believe that it would have been more so had the new posts requested by me been established. The result of posts at Guenned and Talifugo, whose establishment I recommended, would have been excellent, but the constabulary officers would not listen to my plea therefor.

As to this, I must state that it greatly surprised me to hear a colonel say that if the commanding officer of the post of Tault believed that at the points where I desired posts established there would not be any danger to his soldiers, then posts would be established, but not if that officer objected.

I believe that for the present no one in all Apayao can point out a place where one is as safe as in the pueblos in the plains, speaking in general terms, and I think that those who do not dare to expose themselves in the performance

of their duties should apply for transfer to another province, otherwise Apayao will never be organized.

The Tautit school was opened in April, 1908, and I had expected that at least 25 or 30 children would attend, but was disappointed. In view of this being the season for making clearings in the woods, of the belief that the children would be taken to Manila, and of the fear that they would be tortured at school, parents refrained from sending them.

In April a mail service leaving and arriving twice a month was established between Abulug and Tautit.

At present we need a health officer, not only because there are usually many sick in the rancherías, but because I deem gratuitous attendance and medicine beneficial in its effect upon the people, necessity often having compelled me to buy medicine and even to act as attending physician, or to accompany patients to the sea for a bath.

I have ascertained that the Tingulans usually go on head-hunting expeditions in March, April, and May of each year. I have observed that the advice of the old women has a good deal of influence regarding this custom, and it really seems that they are responsible for this and other traditional practices in each ranchería.

The two most powerful reasons for the Tingulans going on the warpath are revenge for affronts received and to commemorate the first anniversary of the death of those who succumbed to disease.

Many things are considered affronts, and at times a person wounded in a fight is expected, with the aid of others, to take revenge. At times it is refusal to pay an insignificant debt, and at others it is about an indemnity for the separation of a spouse. However, they never go on the warpath without cause.

The first anniversary of the death from disease is celebrated at the end of the period of mourning by a war started as follows: Six months after the death of a member of a ranchería the inhabitants thereof go to a hostile ranchería, and there they throw away the piece of bark tied to their heads as a sign of mourning, and if they get an opportunity, cut off the heads of one or two of their enemies as a consolation to the kinsman of the deceased.

All such acts of the Tingulans of Apayao are based on the advice of the oldest woman of the ranchería.

Prior to my arrival in this subprovince this custom was applied even to the heads of Christians, but after they had accepted the organization of this government, they ceased to harm the Christians, provided they gave no provocation.

I have not yet heard of any harm having been done by the Apayaos to the Christians, but know only of the recent occurrences at Padsan, Cabitauran, Dumalneg and Panclan, in Ilocos Norte, and at the rancherías of Malaplapat and Malabbu, in Apayao.

I believe the following are the only ways of governing the Apayaos so as to make them discontinue head-hunting.

Looking at the map, we see that the rancherías of this subprovince are in three groups—one in the northeast, from Nagbac-cayan to Sinargan, another in the center, from Lenneng to Talislan and Dal-lauas, and the third in the south, and including the three rivers of Bareng, Nabuangan, and Acutan.

Based on this grouping, I deem it advisable that three posts be established at the three points, one at Nagbac-cayan, another at Magapta, in the center, which could be the capital of the subprovince, and the third at Talifugo, on the Bareng River. These three posts could together control the rancherías.

However, to facilitate the transportation of supplies and to render assistance to these posts, it would be necessary to repair somewhat the roads from Piddig, Ilocos Norte, to Nagbac-cayan, and from Malauig, Cagayan, to Talifugo, and I will take it upon myself to direct the building of these roads.

The products of the Tingulans of Apayao consist of rice, corn, tobacco, cacao, and various vegetables, the tobacco taken by them to various points outside of this subprovince having amounted to 11,000 quintals during the last year.

RECOMMENDATIONS.

- (1) Appropriation of ₱100 per month for presents, for three years.
- (2) Appropriation for a sanitary inspector for Tautit, with a salary of ₱40 per month.
- (3) Appropriation of ₱6,000 for the improvement of the road from Piddig, Ilocos Norte, to Nagbac-cayan, Apayao.

(4) Appropriation of ₱4,000 for the road from Mauanan, Cagayan, to Tallfugo, Apayao.

(5) Establishment of the three posts above mentioned, at Nagbac-cayan, Magapta, and Tallfugo.

(6) Transfer of the capital of Apayao to the ranchería of Magapta, in this subprovince.

Respectfully submitted.

BLAS VILLAMOR,

Lieutenant-Governor, Subprovince of Apayao, Cagayan.

The GOVERNOR-GENERAL.

Report of the lieutenant-governor of Batanes.

OFFICE OF THE LIEUTENANT-GOVERNOR,

SUBPROVINCE OF BATANES, CAGAYAN,

Santo Domingo de Basco, July 2, 1908.

SIR: I have the honor to submit the annual report called for by section 6 of Act No. 1396.

As the report embraces the short space of time since my arrival as Basco, on March 17, 1908, it is of necessity only preliminary.

ADMINISTRATION AND PROGRESS OF THE SUBPROVINCIAL GOVERNMENT.

The present condition of the administration, more especially of the three islands, Batan, Saptang, and Isbayat, the only inhabited ones of the group, requires a brief review of the circumstances preceding and accompanying the creation of the new territorial subdivision known as the subprovince of Batanes.

This group of islands under Spanish régime had constituted a province known as "Gobierno Político-Militar de Islas Batanes," and reported directly to the central government at Manila. By a geographical anomaly it comprised at that time also the island of Calayan, which belongs to the Babuyan group.

This provincial organization ceased with the downfall of Spanish sovereignty, but the several pueblos composing it continued as self-governing municipal bodies up to as late as 1903, when taxes were already paid under the municipal code.

By Act No. 944 the old province of Batanes (less Calayan) found itself transformed into one single municipality annexed to the province of Cagayan on the mainland of Luzon, with the seat of the municipal government at Basco (island of Batan), from which it took its name. This organization brought the islands more definitely under the provincial-government act and the municipal code.

Act No. 1693 made the subprovince of Batanes a part of the province of Cagayan, and although it provided that the special provincial-government act and the township act, under which also the lieutenant-governor was to hold office, should apply thereto, it made the reorganization of the municipality dependent upon a resolution of the provincial board of Cagayan.

On March 7, 1908, this board passed a resolution to the effect, in substance, that the lieutenant-governor of Batanes should discharge his duties within the territory of his subprovince, but that the existing municipality should continue for the present unchanged and without disintegration. It charged him further with a study of the islands and a report.

Since then the "municipality of Basco" and the "subprovince of Batanes" have been the names of the same territory. The decision not to change the municipality of Basco, and yet to apply to this territory the provisions of the township act, was found by the writer to be ultra vires, and he had the honor of addressing you thereon by letter dated April 21, 1908.

AGRICULTURE.

Agriculture sufficient to meet the domestic needs is about all that is carried on, and even this is difficult, owing to exceptionally adverse natural conditions, among which may be mentioned frequent typhoons and a rather sterile soil of very limited extent. With all their infinite toil, the islanders, in the opinion of the writer, can not be said to be making that wise use of the little soil at their disposal which true husbandry and foresight demand. It appears to me that their style of farming is too improvident to guard against a progressing im-

poverishment of the soil; that their tilling is too desultory to repay their labor as it merits to be repaid, and that their use of existing timber is too reckless to avert an eventual complete denudation of the hills and dales not already completely bare, and, as a consequence, the drying up of the few water courses left. In bringing home to the rising generation the interrelation between trees and soil humidity, between vegetation and the formation of vegetal soil, between manuring and the quantity of crop, etc., I see the great mission of education in Batanes. Intelligently given, it would tend to bind the people more firmly to the home country, which they are at present only too prone to abandon for a life as a house boy or tailor in Manila, or as a man-before-the-mast in far-away seas. Besides the approximately 8,000 souls peopling to-day the Batanes (in old Spanish mission reports the number 30,000 is given), it is roughly estimated that some 2,000 of them are trying to earn their bread in other parts of the Philippines, enjoying, I am glad to say, everywhere an excellent reputation as quiet, honest, and willing workers.

The principal agricultural food products are different varieties of yams, sweet potatoes, and taros. These tubers are the foodstuffs best adapted for our islands, because they are naturally best protected against the destructive action of typhoons, although their location on steep hillsides causes them to be occasionally washed out bodily by heavy rains. There are also plantations of millet, rice, and maize, but these grains are too liable to be damaged by high winds to encourage extensive cultivation. More favored are garlic and small onions, which make up a modest export to Aparri whenever, during the few months of reliable weather (March to June), one of the local pancos ventures out on a trading expedition to that port. Sugar cane is given preferential attention, especially around Basco, and its stalks are carefully tied together in bundles to withstand the onslaught of the winds. The cane is crushed in rude mills driven by cattle power, and the juice is made into what is called palek (or basi), which helps the Ibatan to forget all his sorrows.

The outlook at present on the plantations of all kinds is satisfactory, and unless destructive typhoons occur in July and August, hopes of a good harvest toward the end of the year may be entertained.

From what has been said about the extent and quality of the soil, the island of Isbayat (or Itbayat) must be excepted. Its scant population, 1,227 souls in 1907, leaves a good surplus of cultivatable land, and the peculiar configuration of the surface of the island, which sheds all water inland, from where it escapes through subterranean outlets, favors the retention of the vegetal soil. It is true, in consequence of this stagnation of waters, that perhaps the island has a very bad name for malignant fevers which, in several cases of visitors from Batan, have been known to have resulted fatally.

As intimately connected with agriculture, and as giving an insight into the cattle industry, it should be mentioned that as private ownership of land is based upon the possession of a legal document showing title, all land in the Batanes must be regarded as public land, since there is no one possessing such title.

The lands, in general, in these islands, aside from building purposes, are used for fields and pastures.

FIELDS.

It has been one of my principal objects to inform the people as to their precarious situation respecting the ownership of the land occupied by them and to acquaint them with the various legal means to acquire title thereto. If my representations at public meetings, the distribution of the pamphlets prepared by the bureau of lands, and the reproduction in the local dialect, especially of the free patent provisions, have so far met with hardly any response, I do not attribute it to an utter want of interest in the matter. Although the generally very peaceful disposition of the people does not give rise to many disputes concerning lands and boundaries, there have been cases of alleged usurpation of land which have brought home to them the necessity of protecting themselves by proper titles. The real cause of their not being sought for more eagerly under the present land law is that the provisions of the latter in more than one point make it impossible for the vast majority of small farmers to enjoy the benefits thereof.

Chapter IV of the public land act, embodying the free patent provisions, and more especially the free patent circular of March 2, 1906, provide that "the tract must not exceed 16 hectares in area and but one tract may be secured by the applicant under this chapter."

Now, the Batanes are, with the possible exception of Isabayat, which is hilly, distinctly mountainous islands, mainly cliff-bound, and with only a few coastal plains of very limited area. The uplands facing the sea and the open hillsides in general are grass-grown and afford very good pasture, but are generally unfit for planting, owing to poor soil and to their exposure to typhoons. The inhabitants, having utilized to the fullest extent possible the small plains, are obliged to have recourse to interior valleys, on whose steep sides they search in nooks and corners for little patches likely, by dint of tilling, to produce a crop of tubers. On these they depend for their daily bread, and in the number and varying location of the different plantations they find a sort of insurance against the destructive action of typhoons, which may destroy some and spare others. The soil is, besides, not so deep and fertile as to allow all of the fields to be under continuous cultivation, and a number of them are compelled to lie fallow for from two to four years in order to recuperate. Even so, it is sheer good luck if in any one year the population does not find itself in straits as to food-stuffs, or directly starving, as it did, for instance, in 1904, 1905, and 1906. Fields are thus small in size and many in number, one family owning, besides a little town lot in the village, as a rule, 4, 5, and in not rare cases 10, or even more, separate fields, the size of which fluctuates between a fraction of a hectare to 3 or 4 hectares. The Batanes, with a total population of some 8,020 souls, sent last year to Tuguegarao over 14,000 property declarations, which, reckoning only 4 members to a family, would mean 7 separate holdings for each family. According to a statement made to the writer by the provincial treasurer, 90 per cent of these declarations referred to plots of ₱50 or less in value, which are therefore exempt from taxation.

From all this it is evident that in order that the benefit of the free patent provisions may be enjoyed by the people of the Batanes it is necessary to allow the maximum of 16 hectares to be made up by a number of separate fractional plots.

Another difficulty is the limiting of the meaning of the terms "occupy" and "occupation" as used in the law to those of "occupy as a home" and "to reside upon" as employed in the prescribed forms of application. Batanes towns are made up of thick clusters of houses, each standing in a narrow plot of ground, in most cases not large enough to hold a moderate-sized kitchen garden. The sementeras are all outside the town proper, and often at a considerable distance from it, at all events so far from the dwelling place as to make it impossible for the owner to declare that he has resided upon the land he wishes to have declared legally his own, and it should be remembered that it had been the declared policy of the former Spanish Government to have the people come in from the open country and live in the immediate neighborhood of conventos and tribunales.

The writer is of the impression that the free patent and other provisions of the public land act have, if at all known, never been sufficiently brought to the attention of the people of these islands, and he therefore respectfully requests that his earnest recommendation for a further prolongation of the term within which free patent applications may be admitted be accorded kind consideration.

PASTURES.

Uncultivable land is used by the islanders as pasture for their numerous cattle herds that constitute the chief source of wealth, and merit therefore preferential regard and protection. From the issuance of certificates of ownership and transference of cattle the municipality of Basco derives a considerable part of its income (₱3,031 in 1907).

The Batanes enjoy the good fortune of having their cattle entirely free from rinderpest, although they suffer at times very severely from exposure during typhoons, from which in 1904 over 1,000 head are said to have perished, and from a sort of dysentery during the hot months, affecting especially the young cows. Any possible infection from Luzon by imported cattle or otherwise should be guarded against by a prohibitory law.

The pastures are located mainly on the grass-grown uplands, and are limited in extent by the not very plentiful supply of water. For this reason no Carabao are raised, and the statement sometimes made that these islands abound in horses is wrong. There are in all only about two dozen of them and nearly all of these are the property of one individual owner. They are considered as harmful to the young cattle, whom they are apt to kick.

Corrals are either owned by the communities, for the public use of the townspeople, or by private individuals, who sometimes form small partnerships.

The corrals of the community are erected and kept in repair by the voluntary labor of those who put their cattle into them. For general administrative purposes a manager is elected, commonly one of the *principalla* of the town, who fixes and collects the charges destined to pay the herdsmen, which varies according to the number of cattle kept in the corral. I examined a list of such charges kept for the public corral on Isbayat, where 8 centavos per head per year had been collected, while in another on Batan the charge was 5 centavos per month. To talk over the affairs of the corral the cattle owners assemble at the house of the manager, who at such occasions renders a cash account, and I have so far not had the slightest intimation that this inexpensive way of operating corrals has given anything but satisfaction to those concerned. I am inclined to praise and encourage this custom of cooperation, which has also been adopted in several other lines of the economical life of the Batanes people and might be followed by the people on Luzon with great advantage.

The size of the corrales varies greatly and I am not prepared to give exact figures. On the island of Batan 40 hectares would be about the size of an average pasture. The small island of Ibhuhos, approximately 500 hectares in size, which but for the families of a group of herdsmen is uninhabited, is entirely given up to a public pasture for cattle of the people of the neighboring island of Saptang. For the purpose of the payment of land tax this pasture has been declared by two managing representatives from Saptang as 400 hectares (at 12 pesos = ₱4,800). There are said to be at present about 800 head of cattle on the island, but I am told it has room for about double that number.

The total number of corrals and their distribution over the several islands is:

Batan:		
Public	-----	10
Private	-----	21
Sapang and Ibhuhos:		
Public	-----	2
Private	-----	2
Isbayat:		
Public	-----	1
Private	-----	10
Total	-----	46

All of which have been declared for the payment of land tax. Taking into account, beside the cattle kept in these corrales, a considerable number which are kept as domestic animals in the literal sense of this term by poor people who, while not their owners, take care of them with the understanding that they are to receive half of the issue, the total number of cattle on the 4 islands mentioned may be estimated at 8,000.

These statements are made to show that there exist respectable interests intimately connected with the welfare of the whole population and demand every possible protection and furtherance, but which nevertheless rest on a questionable basis, inasmuch as nobody holds any title to the pasture land occupied by his cattle. In whatever way existing legislation might be construed or new laws enacted, it should be essential not to discourage the small owners of cattle but to preserve at all costs cattle breeding as the national industry of the Batanes as it now is, and to this end I have the honor to recommend that townships be given an easy or entirely free right to the usufruct of an ample area of pasture land on which only a limited number of cattle of any individual owner may be allowed to graze. This would result in a legalization of the existing public corrales and a precedent for such a concession may be said to already exist in the grant of communal forest reserves by Act No. 1800.

In order to better inform myself as to the needs of the cattle industry in this subprovince, I assembled on June 5, in my office, the principal parties engaged in this business and discussed with them steps for a possible improvement of the existing breed. On this occasion it developed that the original rather small stock formerly existing in Batanes had been considerably improved through the introduction in 1895, by Padre Friar Mariano Gomez, of a young Australian steer at his own expense, and it was the unanimous opinion of those assembled that, since the descendants of that young Australian had meanwhile given rise to a very much improved crossbreed, of which a 4-year old specimen fetched ₱60 against ₱40 for one of the same age of the old stock, a further improve-

ment was deemed unnecessary. As this improved breed had not yet been propagated on Saptang, I brought about an arrangement through which this was made possible.

COMMERCE AND COMMUNICATIONS.

Cattle are the principal article of commerce. Their export to Manila by steamers, which during the first part of the year occasionally come up from Aparri to load them, is indeed the only important commerce of the Batanes. Its volume is shown by the amount collected, at the rate of ₱1 per head, for certificates of transfer issued by the municipal treasurer of Basco, as follows:

Island.	1907.	1908.
Batan.....	₱295	₱226
Saptang.....	100	56
Ibayat.....	85	245
Total.....	480	527

* The export season is for six months, January to June only.

The desire of those principally interested in the export of cattle were expressed at the meeting mentioned in the preceding section by the adoption of the following resolutions: That communication with Luzon be rendered more frequent by increasing the present 4 yearly trips of mail steamers to 6, and by the concession on the part of the insular government of the auxiliary ketch already asked for by the subprovincial government, as both would give them more facility for concluding contracts and, the first, two additional opportunities to ship cattle to Manila, and that a certain amount of rock blasting be done at Mauyen inlet on Ibayat, so that this better-sheltered point for shipping cattle may be substituted for that of Chinapuliran, which can be utilized only in perfectly calm weather.

Pigs.—Up to about the middle of the last century the Batanes were frequented by whalers, of whom at times as many as half a dozen were anchored off Basco. They used to lay in here a stock of fresh provisions, chiefly pork, and thus considerable inducement was given the native to raise pigs, though to induce them to keep always on hand a good stock for ready sale to the whalers seems to have required constant urgent orders from the Spanish governors in Basco. Later on those welcome visitors discontinued calling at the island, and so ceased a money supply upon which the islanders used to depend. Nevertheless a good-sized export of pigs and lard was kept up through local pontines (small sailing vessels of about 20 tons), which used to make 2 or 3 trips per year to Manila and Aparri. At present, although these trips are still maintained, the export trade in pigs seems to be on the wane, owing to the smaller margin now offered by the two markets mentioned.

Imports.—Imports consist mainly of petroleum, ironware, cheap fabrics, matches, and in bad years, rice.

It is deemed essential to give here a picture of the condition and of the consequences of the utter isolation which characterize commercial as well as all other life in the Batanes, and I ask your permission to repeat to this end part of a petition addressed to you by me on May 7, 1908.

EXISTING COMMUNICATIONS.

The only regular official means upon which the Batanes can count at present for their communication with the mainland of Luzon are the 4 trips per annum, which certain steamers under contract with the insular government are making to these islands. Their visit is made by way of a digression on the return trip from Aparri to Manila, so that, unless the steamer should find it profitable for the owners to go back from here to Aparri, everything carried on board from the Batanes to this, our nearest port on Luzon, has to take the roundabout way to Manila and thence, after the necessary wait, the first opportunity back to Aparri. For a letter, for instance, from Basco to Tuguegarao, this may mean a month or more. These steamers, moreover, ply with a rather ill-defined

regularity, as may be seen from the following schedule: One trip in February or March; one trip in June; one trip in September; one trip in October or November; and it must be observed that there are years when stress of weather makes the trip in September or October impossible, so that it has to be postponed to a later month. As a matter of fact, the steamer happens into the port of Basco quite unawares on any of the thirty, sixty, or more days of the periods just stated; to stay there for from two to four hours, unless there is cargo ready to detain her a few hours longer.

Any other regular means of communication with the outside world, such as, for instance, submarine cable, wireless station, carrier pigeons, or the like, are lacking, and as showing that very serious necessity for some kind of reliable means of communication may arise it is only necessary to recall the fact that in 1904, 1905, and 1906 the people of these islands came near starving through destruction of their crops by typhoons which visit the Batanes with particular frequency and force. At such times the arrival of a shipload of foodstuffs would have relieved the calamity.

Thus dire necessity has taught these people to stand together and to do all they possibly can to help themselves. By voluntary concurrence of all the able-bodied men of certain towns they have built for themselves small seagoing sailing craft of about 20 tons burden, called *pancos* or *pontines*, of which there are at present 3 in the islands, the common property of the townspeople who built them. They are certainly very strong and of good timber but of pitiable navigating qualities and carry mostly only ragged mat sails or sails made of old sackcloth. None but people intimately acquainted with the stormy home waters would care to set out in such craft, and in fact, the natives themselves make use of these *pancos* only during the season from January-February to May-June, when they are more or less sure of encountering fair winds and supportable sea. For the rest of the year these vessels remain hauled up on shore. They make every season about one trip to Manila and two to Aparri.

Besides the means so far mentioned communication with Luzon is somewhat helped by the arrival in the first part of the year of an occasional steamer venturing up from Aparri, or chartered by native cattle dealers to load cattle. Such may arrive till June, after which time navigation and the loading of cattle in these islands become too venturesome, as they entirely lack any safe harbor.

Not less unsatisfactory are the means serving the interisland traffic, though again not certainly for any want of enterprise or lack of skill in boat building and in navigating on the part of the islanders, but because of natural difficulties impossible to be overcome with the limited means at their disposal.

Natural obstacles to communications.—The two main obstacles to navigation in the Batanes are uncommonly strong ocean currents and the lack of harbors or even safe anchorages. To these are added the frequency and violence of typhoons in the second half of the year and the heavy seas rolling in from the surrounding ocean and breaking against our rocky coasts, which, where they do not rise abruptly from deep water, are fronted by dangerous reefs. Sandy beaches are the exception and are mostly limited to some sheltered coves. Before setting out even for a neighboring island at a seemingly safe distance it is necessary to well calculate winds and currents in order to exactly hit the particular landing desired, for the chance of making any land if once at the mercy of contrary elements is extremely scant. The nearest land due west of us is the island of Hainan, off the coast of Tongking and due east from the Ladrões. The velocity of the current in the channel between Saptang and Ibusos is given in the sailing directions of the Coast and Geodetic Survey as 3 to 4 miles per hour, while other sources and personal experience leave no doubt for me that in the channel between Batan and Saptang, and around Isabay the currents attain at certain phases of the moon velocity of not under 5 to 6 miles an hour. Be it now that the wind blowing with the current, or that blowing against it, it piles up the sea, or that there is no wind at all to help overcome the current, or that two currents meet at a given prominent point producing a dangerously high cross sea, etc., it is certain that the natives, expert as they are, make use of their "*tataynas*"—that is, open rowing boats—on some of which a small sail can be hoisted and which hold from 4 to 8 persons, only with very great precaution and not without taking into account the phase of the moon, the state of the sea out in the open, the horizon and clouds, the breakers on certain promontories, etc. If the signs are not satisfactory the departure must be delayed, under favorable circumstances for three or four days, possibly for one or more weeks, or until the next season. With all such foresight it is common enough for the boat to be swamped during the

passage and to be kept afloat only by the utmost exertions of the crew. The most recent disaster of this kind occurred on June 4, when a municipal employee, returning from Saptang, lost his life by being carried away by the current from a capsized boat off the town of Ibana, the rest being rescued in more or less damaged condition through the efforts of people from that town.

It may be said that the only months during which navigation among the islands can be undertaken with reasonable safety in one of the native boats are from March till June. For the remainder of the year the trip from one island to another is either directly impossible or to be undertaken only at the risk of life or of having to remain on the other island weather-bound for weeks or months.

ECONOMICAL AND FINANCIAL CONDITIONS.

The economical condition of the inhabitants, although certainly never very brilliant and ever at the mercy of typhoons, can not be said to be other than satisfactory. This is owing not to any great natural resources, of which, except pastures, there are none, but to the thriftiness of the people, which makes them till their fields and look after their pigs and cows with great assiduity and lay by something of the fruits of their toil for a rainy day.

Taxes are generally paid by them with great promptitude, and this should be another reason for their obtaining their full share of the same.

I lack any data respecting the present financial condition of the subprovince. The budget of the municipality of Basco for the current year is:

General funds.

Income.		Expenditure.	
Balance from 1907.....	₱2,126.02	Salaries, officials.....	₱2,061.00
Refunds from insular treasury.....	932.82	Salaries, employees.....	1,057.00
Cedulas.....	1,000.00	Salaries, etc., police.....	1,136.50
Land tax, $\frac{1}{2}$ per cent.....	1,200.00	Office furniture and supplies.....	416.37
Municipal taxes:		Constructions, repairs, improve-	
Fisheries.....	267.00	ments.....	1,000.50
Cattle registration.....	2,900.00	Street lighting.....	200.00
Rents, privileges, etc.....	30.00	Miscellaneous.....	360.99
Licenses.....	319.00	Justice of the peace fees.....	174.50
Justice of the peace collections.....	200.00	Surplus.....	2,627.98
Miscellaneous (Act No. 1147) ^a	60.00		
Total.....	9,034.84	Total.....	9,034.84

^a This amount, being the estimated fines for the violation of the cattle act, amounts to-day to ₱1,760, and will yet reach or surpass ₱2,000.

I wish to put on record the very great help derived in my administrative work from the provincial division circulars issued by the bureau of audits, and to indorse in this connection the suggestion made under "Municipal administration" in the annual report of the provincial governor of Cebu for 1906.

INSTRUCTION.

Public instruction is in charge of a supervising teacher, Mr. William Edmonds, who arrived as the first American teacher in the Batanes in March, 1905, and has been serving uninterruptedly ever since. In 1906 he introduced at his own expense the first Ilocano loom and two Ilocano weaving experts, with a view of supplanting the old primitive hand loom, which, incapable of competing with imported textiles, is falling, or really has fallen, into disuse. He later organized an exhibition of products of local home industry, such as straw hats, iron tools, cordage, wickerwork, pottery, etc., awarding prizes of some ₱200 from his own pocket. The impulse thus given results in the moral and practical progress of the people and merits effective backing by the department.

From records and notes kindly put at my disposal by Doctor Edmonds I copy the following on school affairs:

"The school district of the Batanes Islands is now a subprovince. The people, who have always in their hearts resented the fusion of the old pueblos into the municipality of Basco, welcome the prospect of decentralization and of local self-government.

"The following is a synopsis of existing schools:

Towns.	Central schools (stone).	Disused schools (stone).	Barrio schools.
1. Basco.....	1	1	0
2. Magatao.....	1	1	0
3. Ibana.....	2	0	0
4. Uyugan and Itbud.....	1	1	1
5. Saptang, Suminangga Chavayan.....	1	1	b2
6. Mayan on Isbayat.....	0	a1	0

a Wood.

b Rented.

"With the exception of Isbayat, all these 6 towns have demonstrated in school matters their fitness for being townships. The smaller towns have not only secured the best attendance, but have made the greatest progress. Basco has only 5 per cent of its population in average attendance as against 11 per cent in Uyugan and Magatao. In school work two barrios of Saptang have done best; Uyugan is third, while Basco has only obtained an average of 25 per cent, as against 50 per cent in the Saptang barrios. In general, all-around advance Uyugan stands first, and this little town, in spite of being called upon frequently to work for Ibana without any return, has roofed its school, built a barrio school, and repaired furniture gratuitously.

"Higher grades are well disciplined, but the lower grades are a difficulty. Teachers have to correct habits of inattention, of gossiping, and lassitude which children have previously acquired in the schools of doctrine, where the thoughtless babbling of words has predisposed them to regard lightly the value of disciplined minds and systematized education.

"*Industries.*—Industrial work as a part of education was a revolutionary idea. Here, as elsewhere, particular industries are exclusively confined to individual localities. Hats come from one town, pots from another, baskets are woven in a third, cordage is the staple industry of a fourth, and so on. On inquiry as to why they do not pursue all classes of industries in each town the natives shrug their shoulders and mutter 'costumbre.' It is proposed to try and develop all classes of industry in all towns where materials permit.

"*Native teachers.*—The Batan islanders, in common with Ilocanos, prefer a native of the town as teacher. The status of teacher here connotes a prestige out of and away higher than the popular estimate in the rest of the archipelago. There is an occult but very actual esteem for mastery, whether in the art of navigation, husbandry, or of scholarship, which elevates to seats among the principalia those who are expert and excel; while, on the contrary, it is useless to disguise the want of respect which a timid sailor or a weakling suffers. Our present staff of teachers are good pilots, fishermen, field laborers, and skilled with their hands for the most part.

"*Traveling.*—The winds and currents are so strong that communication between the various islands is very difficult. I was weather-bound in Saptang for a month, after being nearly swamped in a cross sea, and on my return on the first day that the pilot said a crossing was feasible I was thrown broadside on the reef at Ibana, and the boat was upset. Isbayat is still more difficult, as there is no anchorage and the island is surrounded by cliffs, the town being concealed in the middle of the island. All overland trails are very rough and difficult * * *

POLITICAL CONDITIONS.

The Philippines can not possibly harbor a more peaceful, law-abiding and submissive people than the Batanes. These conservative qualities of theirs, together with the isolation in which the people live, have favored the retention on their part of certain views and habits that were typical of the old Spanish times, but are clearly in the way of their keeping up with the progress being made in the outside world. The new subprovincial organization means a more effective introduction of American governmental institutions into these islands than has hitherto been possible, and these may be trusted to dispel in due course of time, what shadows of the dark ages may be still hovering over the Batanes.

The mission which brought the writer here was distinctly gratifying to the vast majority of the people since it promised to all the towns that had been formerly independent pueblos and that are now barrios of Basco the recovery

of their old autonomy. Whichever of these barrios the writer visited, and even before his visiting them, he was handed petitions clamoring for local self-government. Before this strong and unmistakable expression of the popular will, the ambitious dreams of a few local caciques, inspired largely by their private interests, had no longer the courage to manifest themselves openly and took forms of which I disdain to take cognizance here.

The following statistics will show better than anything else the need that existed for reorganizing the "municipality of Basco."

The following is a comparative table showing past and present collections and expenditures of general funds in the several communities of the sub-province:

	Being municipalities May, 1903-April, 1904.*		Being barrios in 1907.	
	Collections.	Disbursements.	Collections.	Disbursements.
Magatao, Batan	P728.43	P667.81	P529.45	P42.00
Ibana and Uyugan, Batan	964.28	823.59	714.20	35.00
Saptang	1,599.25	1,218.06	940.71	24.00
Isbayat	514.16	352.89	1,627.82	0

* Isbayat only to March, 1904.

This shows a considerable decline in the collections in the communities of Magatao, Ibana, and Saptang since their fusion with Basco, and since neither the population nor the nature of the taxes has in the meantime undergone any material modification, one may well apply here the maxim: *post hoc ergo propter hoc*. If a similar retrogression has not taken place, or at least is not shown for 1907 in Isbayat, where on the contrary more than three times as much was collected in that year as in 1903-4, it is due to the fact that the council at Basco became convinced of the absolute necessity of giving to that island at least a revenue office of its own, which was established in October, 1907, although the willingness of the council to spend anything more on Isbayat than the salary of a tax collector appears expressed in the above table by nothing better than "0".

Under "disbursements" I have stated the amount actually spent within the towns concerned. To be quite accurate, there should be added to this a pro rata share of the salaries enjoyed by the municipal officials at Basco, the cabecera. To make clear what the services of these officers, in whose election Isbayat had no chance to take part, meant for the people of the barrios, minute data were furnished by me to the provincial board of Cagayan on the official relations between Basco on the one side and Saptang and Isbayat on the other. These data are too extensive for reproduction here, but it may suffice to say they show a plain discrimination against the interests of both islands, though it must be recognized in justice to the officials concerned that this discrimination was to a large extent the consequence of the natural obstacles to communication previously dwelt upon.

In order to give here in more general terms a view of this aspect of political life in the Batanes I quote the following from the information just mentioned:

"Since then (the time of my preceding report) I have visited and scoured in all directions also the remaining two of the inhabited islands of this group called Saptang and Isbayat and to these my present report refers in the first line. * * * To bring the situation in which those islanders find themselves more clearly before the mind of the honorable board I would say that the port of Saptang is distant from that of Basco a little more than Cavite from Manila, and that of Chinapullran on Isbayat a trifle less than Corregidor from the same capital, and that it should be remembered that Manila Bay is a mere lake in comparison with the high seas surrounding us. The situation is then worse than if Cavite and Corregidor were barrios of Manila and had in the transaction of their public affairs to communicate with that city by means of bancas. * * * There is one circumstance that especially aroused my attention in visiting all the barrios that had been formerly pueblos because it leads to various conclusions, and that is the truly pathetic perseverance shown by the people in doing everything that is necessary to preserve in good condition

their old 'tribunal,' symbol to them of their past but even to-day latent local autonomy. These public buildings, indeed, were found by me everywhere in a condition which under the circumstances merits being called first rate, and even the disinherited people of Isbayat, feeling visibly ashamed of their old wooden council house, assured me unasked that they were ready to replace it by a stone structure. I see in this another proof of the sincerity of their aspiration to see themselves separated from Basco and with a presidencia of their own. The public spirit that impels them to carry out the work necessary for the preservation and custody of those old tribunales by means of voluntary and gratuitous concurrence of the citizens merits consideration that a way may be found to develop this public spirit along the lines of self-government laid down in existing legislation. As it is allowed to manifest itself to-day it runs the risk of falling under the shadow of that enemy of progress in the Philippines, caciquism, which establishes its headquarters in those tribunals, and which the president of the board directed me to stamp out wherever it was found. As a logical consequence of the abandonment in which those barrios find themselves—and I wish to refer here not only to Saptang and Isbayat—there has developed around their old tribunals a sort of servitude organized after the model of that existing during the past Spanish domination which is contrary to present legislation and advanced public opinion. A certain number of men have, under the name of 'semaneros,' to be present every day and in regular turn at the tribunal, to do all sorts of official, semi-official, and entirely private service, such as, for instance, rowing officials, would-be officials, and private parties from one island to the other for nothing and for no better reason than that they are told they must do it. I hardly need assure you that I have not left the slightest doubt in the mind of anybody as to how the government looks upon such expropriation. A very noteworthy consequence of my action in the matter was, however, the subsequent presentation at this office of largely subscribed and apparently bona fide and popular petitions of the citizens of the barrios to be allowed to form companies of volunteers for the purpose of guarding the tribunal, of keeping public order, of rendering succor in case of shipwreck, and of similar work. I have for the present indorsed these petitions to the council of Basco for action conformable to the municipal code. * * *

"As to the rest, my belief that the form of local government known as township law will be favorably received by the people in general is strengthened by the fact that one of its most notable provisions, to wit, that providing for a road tax of ₱2, which may be worked off by ten days' labor on public works, was already voluntarily proposed to be accepted (though with some slight modifications), and submitted to the provincial board for approval, by the town council of Basco on July 20, 1907."

PUBLIC HEALTH.

With the exception of Isbayat, whose bad reputation for deadly fevers has been previously mentioned, the climatic conditions can be said to be not only healthful, but even health-giving. As to air, its purity may be compared with that enjoyed on board a ship anchored in mid-ocean. Water, on the contrary, is scarce and not of the best, and one of the greatest needs in Basco and Saptang (Sinakan) is a good water supply. Both places have desirable springs back of them in the hills, but the distance and intervening topography would, if at all feasible, place the necessary work far beyond their financial means. The matter has nevertheless the preferential attention of the writer. A great nuisance are mosquitoes of the most venomous kind, whose abundance is to be traced back probably to the custom of the natives of storing rain water in pots placed under the trees near the house in such a way that the water caught by the branches is led down to them by straw bridges.

Nearly every town has its little leper colony some distance away up in the hills. These unfortunates, who number about twenty in all the islands together, are looked after by their relatives in the towns, who clothe them and assist them in fieldwork. From figures furnished me by the president of the municipal board of health, their number seems to be slowly declining. A danger of propagation of the evil under present conditions is not apparent.

Respectfully submitted.

OTTO SCHEEBER,

Lieutenant Governor, Subprovince of Batanes, Cagayan.

The GOVERNOR-GENERAL, Manila, P. I.

REPORT OF THE GOVERNOR OF CAPIZ.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF CAPIZ,
Capiz, July 8, 1908.

SIR: I have the honor to transmit herewith my report for the fiscal year ended June 30, 1908.

AGRICULTURE.

This branch of the public wealth suffered a decline in production, owing to many scourges, principally locusts and deaths among work cattle, in spite of the efforts by the municipalities to exterminate the former wherever they appeared, especially in the eastern part of the province, which was very badly affected. Though nothing was heard of this pest for some time, in May and June the presidents of Romblon, Buruangan, Ibajay, Looc, Nabas, Odlongan, Cajidlocan, and Taft reported the reappearance of locusts.

Cattle diseases also reappeared and still exist, and there seems little probability that they will soon disappear. To combat this terrible scourge, three government veterinarians came to the province and saved several animals by inoculation, but unfortunately their stay was so short that they were unable to visit all the pueblos where the disease had broken out.

It is said that some veterinarians have returned, but as I have received no notification of their arrival it is not easy for me to affirm this as a fact, nor have I been able to point out to them the infected places. I think that, to tighten the bonds of union between government officials and that they may work together and help each other mutually, every official coming within the jurisdiction of a province should report his arrival to the provincial governor.

The production of rice, sugar, and corn have been greatly affected by the scourges above noted. There was a fair crop of copra and of abaca, but as the prices of the same have suffered a decline planters have not been as well compensated as last year. In the subprovince of Romblon the production of abaca was less than last fiscal year, while that of copra and tobacco were greater, and plantations of abaca and cocoanuts are increasing all the time.

COMMERCE.

No rice was imported, for although there was not a good crop there was enough for domestic consumption in the province, and a little to export to Iloilo and Romblon, and copra and abaca were exported to Manila, where they were sold at very low prices.

As to other products, it can be said there was no variation in mercantile transactions as compared with last year, and that cholera has been one of the elements contributing to the paralyzation of business, especially in rice.

The following are the market prices quoted on the commodities mentioned: Palay, ₱2.50 a cavan; rice, ₱6 a cavan; bayones, ₱3.50 per hundred; sugar, no buyers; copra, ₱6 per picul; abaca, quillot, ₱14 per picul; abaca, current, ₱11 per picul; leaf tobacco, first grade, ₱80 per bundle of 100 hands; second grade, ₱30; third grade, ₱20, and fourth grade ₱7 per quintal.

The principal articles of commerce in the Romblon market are copra, abaca, and tobacco, followed by sawed boards (by hand), gum mastic, and balao, which are also shipped to the Manila market.

Romblon, having a good port, has been visited 336 times during the fiscal year by mail and merchant steamers, to say nothing of government vessels and others which have put in through stress of weather. Its imports of rice amounted to 29,319 piculs, the larger part of which came from Manila and the balance from Capiz.

ECONOMICS.

The economic condition of the province is not so bad, since the working classes are better off than formerly, as is evidenced by the fact that complaints are almost invariably from well-to-do people, and not from the laboring class. This is not so hard to understand when we consider that the laborer in this country is not ambitious, has few wants, and at present has a wide field of

employment in the construction of roads and in railroad work undertaken by the Philippine Railway Company.

The wages paid by the provincial government on road work are 40 centavos a day, and those paid by the railway company are 45 centavos and 3 meals a day. Such wages have never before been paid here, and the farmer is unable to pay them for agricultural labor and escape losses.

The creation of an agricultural bank and the establishment of irrigation systems constitute the legitimate hope for an improvement in the economic condition of the inhabitants of the province, the majority of whom are farmers.

In the subprovince of Romblon wages are also high, and labor is scarce, in spite of the fact that neither the government nor the Philippine Railway Company are doing any work there.

The collection of personal taxes has been easier than in former years, although the cedula tax has been doubled.

PUBLIC INSTRUCTION.

From every essential point of view, educational conditions in this provincial division may be regarded as very satisfactory.

The progress of education in the western district of Aklan has been especially rapid, owing to the efforts of the teachers, officials, and the public, and particularly of the scholars, and owing, perhaps, to the fact that in the rest of the province pupils have failed to attend during the time of seeding and harvesting palay, which conditions have not prevailed at Aklan.

The schools of the subprovince of Romblon, though handicapped in material progress by a scarcity of population and of school funds, show, nevertheless, normal and satisfactory progress. Few divisions perhaps could show better adaptation of means or more regular extension of school construction in every way than Romblon, taking into consideration its comparatively slender resources.

Special efforts have been made during the past school year to direct industrial training, which is being extended quite a good deal, along practical and useful lines, the municipalities having bought 20 sets of carpenter's tools and agricultural implements, and attention has also been given to the fostering of the local industries peculiar to these latitudes.

It is a pity that lack of funds and perhaps other reasons have stood in the way of a more earnest introduction of the teaching of a knowledge of at least the rudiments of agriculture in a province so eminently agricultural.

From June, 1907, to May, 1908, inclusive, which we might call the school year, as the formation of the classes takes place in the month of June, the 22 municipalities of Capiz paid out ₱29,757.28 for salaries of teachers, construction and repair of schoolhouses, etc., or ₱5,800 more than last year.

The fear that the municipalities might not be able to meet school expenses was one of the main reasons for the provincial board not acceding to the suspension of the land tax requested by a few residents.

The corps of municipal teachers has increased from 138 in March, 1906, to 201 in March, 1908, and their qualifications and efficiency have likewise done so. The classification of teachers made by the division superintendent of schools provides for salaries based upon the qualifications, experience, and efficiency of each, so that teachers now apparently show greater activity, being influenced by personal ambition and more certain rewards.

The number of teachers entitled to salaries during vacation, including those of Romblon, is 60, and their attendance at the Normal Institute, which is opened during November and December of each year, according to the decision of the division superintendent of schools, has been satisfactory.

In March, 1908, the last month of the school year, there were enrolled in the municipal school of Capiz 17,389 pupils, and in those of Romblon 4,277; in the Capiz high school 29, and in that of Romblon 19 pupils, and in the intermediate schools of Capiz 212, of Calivo 98, and of Romblon 95 pupils.

The interest and cooperation of the municipal and provincial officers have been duly appreciated by the division superintendent of schools.

The people, in spite of the deplorable condition of agriculture and industry in certain municipalities, have demonstrated great interest in education. Sons of poor and illiterate persons are at least receiving and acquiring the rudiments of a practical education which may some day be of service to them in earning the necessities of life, and enable them to escape from the slavery of ignorance which has held their forefathers, and to become, in truth, free men.

The provincial board has cordially cooperated for the advancement and progress of education, and the relations between the public, the municipal and provincial officials, and the division superintendent of schools, Mr. George T. Shoens, acting during the absence of Mr. George E. Walk, are conspicuous for their cordiality and sympathy.

The high-school pupils have at present good accommodations in the new building constructed for the purpose, one-half of which will be used for the trade school and is about completed.

INDUSTRY.

There has been little progress therein, as the majority of industries continue to be of a manual character.

In the municipalities of Capiz, Iuisan, Panay, Pontevedra, and Calivo bayonones continue to be manufactured, and sinamay, an abaca textile, jusi, and pifia are made in the towns of the west, not, however, with the enthusiasm of four years ago, owing to the low prices obtained at Manila.

At Capiz, the provincial capital, rice is hulled by the two machines in operation last year, but the distillation of alcohol was resumed with renewed energy by the firm of Ayala Compañía, which has started 8 distilleries owned by it.

At Dumarao fine buri and ordinary tayoktayok hats are manufactured, and in the coast towns the people are engaged in fishing. In Romblon industry is restricted to manual work in the making of sinamay, fine and ordinary mats, bayones, and coarse buri hats, in fishing, and in the sawing of timber.

FACTORIES.

There has been an increase of 1 steam sugar mill during the fiscal year, and there are now 3 steam and 8 animal power sugar mills in the province, the cane being grown by the owners thereof. There are also two rice-hulling machines and the distilleries owned by Ayala & Co.

NATURAL RESOURCES.

The forestal and mineral resources remain without development, in almost the same condition as last year, with the exception of firewoods of the first and second groups, which are still exported in small lots from the municipality of New Washington to Manila, and some woods and resins, exported to Manila from Romblon.

NONCHRISTIAN TRIBES.

The non-Christian tribes, which swarm in the mountain chains separating the three provinces of Iloilo, Antique, and Capiz, are, as I have stated in former reports, though with but slow and tardy steps, adapting themselves to civilized life. There are now several of them who frequent the pueblos, and pay their cedula taxes.

POLITICAL CONDITIONS.

Perfect harmony reigns among officials of all kinds, each performing his duties within his sphere of action without let or hindrance from any other.

The elections for delegates held in July, 1907, and the general election in November of the same year have demonstrated that the Filipino people know how to exercise the rights of suffrage without disturbing public order. Some protests and complaints of defeated candidates as to the results were presented to the competent courts of justice, but were all rejected except those concerning the election of Felipe Bravo, candidate for municipal president of Pilar, which was annulled on account of his having been a deputy sheriff at the time of his election. The other protests presented were against the elections held at Panay, Iuisan, Mambusao, Ibajay, and Dumalag.

The protest of Ramon Hontiveros against the result of the elections for provincial governor having been rejected by Hon. José C. Abreu, of the court of first instance, was carried on appeal all the way to the supreme court of Manila, which also rejected it.

In these electoral struggles the candidates represented the Progresista and Modernista parties, and those of the latter won all along the line with the exception of three municipal presidents.

There has been no friction between the three predominating religious sects—the Roman Catholic Apostolic, the Protestant, and the Philippine Independent Church—existing in the province.

On July 1, 1907, there were pending 50 criminal cases and 93 were begun during the fiscal year. Of the persons charged, 87 were sentenced, 46 were discharged, and 10 are awaiting trial.

In civil matters, 55 cases were pending on July 1, 1907, and 53 were begun during the year, of which 26 were disposed of, 39 were set aside, and 43 are pending.

Public order has been perfectly guaranteed, the province of Capiz having for the preservation of peace and good order, in addition to the municipal police maintained by each municipality, two companies of constabulary in Capiz and one in Romblon, though all three companies are incomplete.

Although there have been a few robberies, they could not have affected in any manner the general tranquillity experienced in the province, as they were isolated cases. In Panay an attempt was made to kill a justice of the peace who, while returning home from his office, was shot at by some unknown person, but was luckily not hit. As the municipal president and municipal police showed inactivity in so serious a matter, the former was suspended and the latter were separated from the service.

There were several accidental fires, the most important being that of last April at Kalibo, which swept away the principal and business part of the pueblo and caused a loss of at least ₱400,000. There was one case of incendiarism at Dumalag, where a nipa house, together with its contents, was set on fire and burned down, involving a loss of ₱70. The fire was caused by some brigands who attacked the house, but were unable to take it on account of the sharp defense put up by the owner, and being thwarted in their design, set the house on fire and fled to the mountains separating the province of Capiz from Iloilo, and have not yet been captured.

HEALTH.

The district health officer has furnished the following data, but has been unable to include those of the second quarter of 1908, as the reports of the several municipalities corresponding thereto have not yet been received by him:

"At the beginning of the fiscal year 1907 public health in this province was changed with the appearance of smallpox in the municipality of Pilar on July 2, 1907, which was later aggravated by cholera that appeared suddenly in the municipality of Sapan on February 17, 1908.

SMALLPOX.

"The first case of this disease was recorded on July 2, 1908, in the municipality of Pilar, brought from Estancia, Balasan, and Iloilo, and spreading later to the municipalities of Pontevedra, Panay, Capiz, Panitan, Dumarao, Dao, and Dumalag. The fatal practice of the common, ignorant masses, followed since time immemorial, of vaccination, either indirectly or by the inoculation of the varioloid pus, contributed greatly to its spread. In spite of the prophylactic measures of vaccination and revaccination with cow's lymph followed by insular vaccinators under my orders, this epidemic followed its course of invasion, favored by the passive, and in some cases aggressive, resistance of the ignorant inhabitants, badly advised by others of middling education to discredit the indisputable fact that vaccination and revaccination with cow's lymph is the surest preventive against smallpox. Another of the difficulties which have been encountered to eradicate this disease is the gross and absurd idea spread by the enemies of vaccination in this province, among whom Rev. Father Fortunato Bigay, of Mambusao, deserves to be mentioned, that the lymph used in vaccination was derived from the blood of lepers. Vaccination and revaccination is now being practiced by insular vaccinators in the municipalities infected. Since July, 1907, to date, 166,061 persons have been vaccinated in this province.

CHOLERA.

"This disease reappeared in this province approximately one year after the registration of the last case of the epidemic during the last months of 1906 and the first months of 1907. The present epidemic began in the municipality of Sapan. It is suspected that the first case occurred on February 17 of this

year in a woman residing in the barrio of Dapdapan. Its spread could not be avoided, because no one realized the presence of the disease until the local authorities of that municipality noted that several of the residents of the barrio mentioned, among the relatives and friends of the family deceased, died with symptoms of cholera as a result of having visited her house. In spite of the efforts made by the writer to localize the evil, it has spread to the municipalities of Iuisan, Capiz, Panay, Pontevedra, and Panitan, some sparks of it being also noticed in the municipalities of Dao, Dumalag, Mambusao, Jamindan, and Pilar. The disease is now localized in the municipalities of Capiz, Panay, Pontevedra, and Panitan.

MORTALITY.

"The following table shows the comparative state of mortality during the third and fourth quarters of 1907 and the first quarter of 1908:

Year.	Quarter.	Deaths.	Average annual mortality per 1,000.
1907.....	Third.....	1,014	18.27
1907.....	Fourth.....	1,214	21.49
1908.....	First.....	1,432	25.62

"As may be seen from the above, the average mortality has gradually increased, owing to the presence of smallpox and cholera. The most prevalent diseases during this period of time, in addition to cholera and smallpox, have been intermittent fever, dysentery, pulmonary troubles, tuberculosis, convulsions, and acute enteritis in children.

Nativity.

Year.	Quarter.	Births.	Average annual births per 1,000.
1907.....	Third.....	2,426	43.73
1907.....	Fourth.....	2,427	42.96
1908.....	First.....	2,396	42.86

"Comparing the mortality to the nativity there is a difference of 3,588, which shows the increase in population of the province of Capiz during the period indicated.

"The writer has inspected nearly all the old regular cemeteries in this province, 25 of them being ordered closed by the director of health as not complying with conditions prescribed by Act No. 1458, while 24 new ones were opened in accordance with said law.

"Ten more lepers, whom it was not possible to gather up before, were sent from this province to the island of Cullion.

"There are at present in the province 133 insane, 191 blind, 76 deaf mutes, and 195 persons physically incapacitated."

FINANCIAL CONDITION.

The financial condition of the province is highly promising and encouraging, as on July 1, 1907, the treasury of the province closed its accounts with a surplus of ₱8,661.40, while on July 1, 1908, it closed them with a credit balance of ₱38,815.51. In December, 1907, the province, by virtue of the provisions of Act No. 1622, transferred ₱2,000 from its general funds to its school funds.

Expenses have been less than last year, owing to the fact that the transfer of general funds to school funds under Act No. 1622 then amounted to ₱22,000, while in the fiscal year 1908 it was only ₱2,000; also to the decrease in the fees of the sheriff and to the fact that prior to the passage of Act No. 1764 the fees of the court of first instance were paid by the province.

The other expenses were greater than the year before, and it could not have been otherwise, as the amount of work in each of the offices is daily increasing, and the salaries of officers have been increased by the consolidation of Romblon as a subprovince.

For greater clearness the total revenues and expenditures under certain heads during the fiscal years 1907 and 1908 are given, so that proper comparisons may be made:

Fund.	1907.		1908.	
	Receipts.	Expenditures.	Receipts.	Expenditures.
General funds.....	P68,920.99	P60,259.59	P81,968.00	P43,152.49
Roads and bridges.....	13,080.59	9,738.22	59,868.40	7,155.82
School funds.....	112.90	.....	1,516.10	.....
School funds under Act No. 1275.....	8,000.00	.....	8,116.10	8,000.00
Non-Christian tribes fund.....	1,235.97	.....	2,117.20	.....
School funds under Act No. 1622.....	.....	.....	24,000.00	24,000.00
Special Cello-New Washington Road fund.....	.....	.....	675.30	52.00
Calamity funds under Act No. 1809.....	.....	.....	1,500.00	.....
Public works fund under Act No. 1815.....	.....	.....	1,855.00	.....
Funds from insular distribution under Act No. 1688.....	.....	.....	30,300.00	.....

The subprovince of Romblon closed its account on June 30, 1908, with the following balances on hand: General funds, P4,930.53; roads and bridges, P16,773.12; school funds, P224.95; school funds under Act. No. 1275, P573.30; private donation for the provincial building, P61.71; and public works funds under Act No. 1815, P2,000.

The 22 municipalities of which the province is composed, excluding those of Romblon, whose accounts I have not received, expended from their general funds in the several branches of local administration P74,681.91 during the fiscal year 1907, and during the fiscal year 1908 a little over P80,000. It is impossible to state the exact amount, as the accounts of several municipalities for June have not as yet come to hand.

Municipal revenues are not very satisfactory and they need more money to carry on the several services required of them, which to-day are little less than neglected on account of lack of funds, as, for instance, sanitation and fire protection.

Respectfully submitted.

ANTONIO HABANA,
Governor of the Province of Capiz.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF CAVITE.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF CAVITE,
Cavite, P. I., September 26, 1908.

SIR: I have the honor to transmit herewith my annual report for the fiscal year ended June 30, 1908.

AGRICULTURE.

This province produces rice on a large scale on the so-called "friar lands," now the property of the insular government, in some parts of which sugar cane was also grown in former times. This year the sugar-cane crop has been inferior in quantity to that of the previous years, because the planters, discouraged by the scarcity of work cattle and by the low market price of sugar cane, have considerably decreased its production. The cultivation of abaca presents a very pleasing aspect, and the statistical data show a great production of this article, as the former coffee plantations in the province have all been converted into plantations of this textile, the pueblos in the hills having taken advantage of the humidity of their land, which is perfectly suited thereto.

The existing abaca is estimated at approximately 500,000 plants, one-half of which is available for stripping, and I hope that in less than four years we shall be able to compete with the other abaca-growing provinces, if not in quantity, at least in quality, because at present our abaca excels that of the other provinces on account of the greater length of the fiber, its whiteness, and its resistance.

Aside from the products above mentioned, the province produces cocoanuts and cacao on a small scale, generally in the pueblos of the south. Besides these plants nearly all the residents, taking advantage of the rainy season, plant in their gardens camote, peanuts, corn, and vegetables of all sorts. After the rice harvest the poor farmers plant melons, tomatoes and other garden truck. The mango is utilized in making jelly, which is exported to the neighboring colony of Hongkong. For this reason special care is taken of the mango trees in the pueblos of Imus, Noveleta, and Nalc, for at maturity they bring good prices.

In view of the death of many of the work animals from the disease known as rinderpest, the farmers are discouraged, and lack capital to take up agricultural work with energy, and only raise products of prime necessity.

The building of the railroad in this province has somewhat reanimated the farmers and merchants, as their products can easily be taken to the Manila market. There is no doubt but that the advantages the railroad provides for the material progress of the province will satisfy the anxious desire of many farmers, as it affords facilities for transportation which in former times were few, it often costing more than the value of the products to market them. These difficulties are now removed, as by rail goods for sale are carried with greater rapidity and facility.

The Cavite-Manila branch is already productive of advantages to the coast pueblos of this province, but does not satisfy the needs of the pueblos of the interior, regarding their products which have to be taken from one province to the other. I therefore request your influence to have the railroad company build an extension or branch connecting the pueblos of the interior and, from Binacayan to Imus, Dasmariñas, Silang, and Indan, and connecting with the branch line already established at Nalc. According to the company's report, the connection of those pueblos of the interior would involve great expense, the length of the road being estimated at 73 kilometers (42 miles), and the cost at ₱3,000,000, but the now insignificant industries and commerce of the province would increase enormously, and in a few years, when commerce and farming have become prosperous, the company would find its efforts crowned with success and its investment profitable.

COMMERCE.

There is no firm in this province engaged in commerce on a large scale. There are a great number of merchants, however, who are engaged in the purchase and sale of articles from Europe, America, and China.

The proprietors of the abaca lands take their products to Manila to sell to foreign firms. In this capital we have no commercial houses like those of Manila, where export articles are contracted for by the wholesale; but only agents of the commercial houses of Manila, called compradores and contratantes, who go to the pueblos where there are export articles, and there the contracts are entered into, the articles purchased being subsequently shipped to Manila.

ECONOMIC CONDITION.

There has been some improvement in the financial condition as compared with the previous years. It seems that in view of the suspension of the land tax for the last two years, the farmers and property owners, relieved of this burden, have devoted themselves with energy and great effort to their agricultural pursuits, and the industrials have likewise been able to carry on their small industries with some success, so that it may be said that this year all are satisfied with their callings. In three or four years the farmers and property owners will, on account of the activity displayed by them, and of the peace and tranquillity that have been prevailing in this province for the last two and a half years, have to some extent recovered from their innumerable losses.

The only difficulties encountered by farmers are the lack of work animals, and principally the fact that their products do not obtain the proper prices in the market. The latter is due to the Dingley tariff which shuts off our market completely and is a terrible obstacle to our products of any value. The latter could be eliminated by the repeal of the Dingley tariff which has been the cause of so much evil to Philippine agriculture.

INDUSTRY.

There are not many industries, one being the fishery, carried on by means of large weirs situate in front of the pueblos of Santa Cruz and Rosario. Large sums of money, from ₱4,000 to ₱5,000, are invested in the construction of these weirs, and at certain times of the year, especially in May and June, a great abundance of the large and good fish of the bay is caught and shipped to Manila. Cavite Viejo, Bacoor, and Noveleta are also engaged in fishing, but on a smaller scale, as their weirs are in water only three or four brazas deep. Cavite Viejo is engaged in the shell industry. These shells are found in front of the pueblo, and at certain times of year are gathered, cleaned, packed in baskets, and taken to the various provinces to be used for windows.

There are two dockyards, one called "Varadero de Manila" being very large. It belongs to a corporation with a capital stock of \$500,000 engaged in repairing vessels, cleaning bottoms, and performing other work on ships of the navy and the merchant marine. It has been in existence 20 years, and was carried on with a profit of about 10 per cent until 1904, when it earned no profit, because of the competition of the dockyard established by the Government on Engineer Island, which took away from them the few ships of the navy and of the insular government. This competition killed the business, and at present the "Varadero de Manila" is able only to meet its enormous expenses and liabilities. Another small dockyard, the property of Manual Earnshaw & Co., situated on Calle Marino, in the suburb of San Roque, was established five years ago. Both establishments employ daily from 600 to 800 laborers.

In the port of Cavite there is another industry engaged in making sauce from small fish, the ingredients used being similar to those of the anchovy sauce imported from Europe and America. Shoes are made on a small scale, particularly in the pueblo of Rosario, where there are many persons engaged in this industry.

MANUFACTURES.

The largest industrial establishment in this province is the electric light plant, owned by Señor Antonio Osorio, which furnishes current for public lighting as well as to private individuals. Its lines extend over the entire municipality of Cavite, as far as the municipal limits, in the Dalajcan causeway, and its services are satisfactory to its customers.

A project is on foot for the establishment of an ice plant, as an annex to the electric light plant, with a daily capacity of 6 tons of ice, to supply the cañtens and saloons in this capital and the adjacent pueblos which are using ice.

There is a sawmill on Calle Marino engaged in the manufacture of furniture of various kinds, in the construction of houses, and in the sale of lumber.

The local manufactures have not yet become important, as the necessary apparatus have not yet been imported. In the pueblos of the interior, as Naic, Indan, and Silang, the women weave sinamay, a textile made of the fine fibers of abaca, on looms known as habihan, made of wood and bamboo. Much time is lost in the manufacture of this textile, as 24 hours is required to make one meter.

Another manufacture on a small scale is the making of hats, commonly called salacot, of bamboo and nipa, so finely, that they are the admiration of the foreigners and constitute one of the curiosities of Philippine products. Leather scabbards for bolos and sabers are also made in the pueblos of the interior, but also on a small scale only.

NATURAL WEALTH.

Forestral.—The forestal wealth is poorly represented, there being no woods of good timber, but only small and scanty trees used for fuel in the hills of Maragondon, Ternate, and Dasmariñas. They are cut and shipped to the provincial capital or to Manila, to serve as fuel in bakeries and private houses. There are forests, however, in the municipalities of Alfonso and Maragondon, which furnish lumber of the third group, such as guijo and apitong, and of the fourth group, such as lauan and cacawate, and some of the first group, such as narra, but only in small quantities.

Stones suitable for building purposes are found in several pueblos of the interior and are, perhaps, harder and more solid than those of Meycauyan, in the province of Bulacan, and of Guadalupe, in the province of Rizal. These stones are quarried principally on the banks of the Maragondon River and on

nearly all the mountain slopes, and when the people need stones for building the walls of their houses, they get them from near the rivers. The stone differs in quality, however, as in some places it is harder than in others.

Mines.—There is no official information of the existence of any mines, although private information shows deposits of gypsum in the pueblo of Magalanes and of copper in Mendez Nuñez, but until the present writing nobody has done any work toward their exploitation. There are small traces indicating the existence of these mines, but, as I have already stated, no person has so far gone to the trouble of doing any work thereon.

NONCHRISTIAN TRIBES.

It is not probable that there are any non-Christian tribes in the province, and the writer has no learned of the existence of any, even in the most hidden parts of the mountains visited by him.

FINANCES.

The balance sheet of June 30, 1908, shows a balance on hand in the general funds, after the deduction of the expenditures of ₱30,994.98, which compared with the balance of July 1, 1907, ₱23,923.50, shows an increase of ₱7,071.48, the result of the increase of the cedula tax, of the collection of delinquent land taxes during last year, and of some refunds.

Taking into consideration the fact that this year the double cedula and the land tax will be collected, there will doubtless be an increase in the general funds of this province.

From the road and bridge fund ₱10,000 were expended for the construction of several culverts on the general wagon roads and for the repair of several bridges.

We received from the secretary of commerce and police ₱20,000 for expenditure on the general wagon roads, and the provincial board at its last session made the necessary distribution, appropriating said money for the immediate repair of the most necessary roads, like the one from Naic to Indan, the one from Noveleta to San Francisco de Malabon, Santa Cruz and Rosario, and the one from Bacoar to Imus, Dasmariñas, and Silang, the main purpose being to improve facilities for transportation of the articles of commerce.

At present the work of repairing old bridges, such as those on the road from Cavite Viejo to Noveleta, which are of importance for the traffic between the pueblos, is being taken up. They were built in Spanish times and are well constructed, but now are in very bad condition and in urgent need of repair.

By next year I hope to have all the general roads belonging to the province in good shape for traffic. We are not building first-class roads, because we have not sufficient funds, but second-class, which, when completed and preserved by the employment of peones camineros, will doubtless be at all times passable for vehicles. It must also be stated that during the last two years of my administration the province has not borrowed any money and has spent over ₱7,000 on the roads.

PUBLIC INSTRUCTION.

Enthusiasm for education is gradually growing, and in all the pueblos visited the writer has noticed with satisfaction that all the schools of the pueblos and of the remotest barrios are full of children, and I venture to say that at present the school attendance exceeds that of the previous years by one-fourth. Many children also attend private schools, which are numerous.

Aside from the primary, there is an agricultural school in the pueblo of Indan, where an American supervising teacher directs the studies with every effort for its improvement, which causes me to prophesy a great improvement in agricultural knowledge in this province.

The high school in the provincial capital, aside from being provided with all the modern educational material, possesses a complete set of physical and chemical instruments and a carefully selected and well-stocked library of instructive works, in the reading of which not only the teachers but others also may spend profitable hours. Recently the Committee of the Thirteen Martyrs donated to the library of the high school 358 books, bought in the Cavite Navy-Yard with the surplus of the proceeds of its celebration on September 12.

There are at present 66 schools in the entire province, with an average attendance of 7,959 pupils and an enrollment of 10,891, which shows that the

children are assiduous in their daily attendance. There are 155 municipal, 18 Filipino insular, and 18 American insular teachers.

This province is divided into 8 school districts, each of which has a supervising teacher. Last year two assemblies of teachers were held, one at Indan, on October 1, and the other at San Francisco de Malabon, in the month of January. In these assemblies the teachers received instruction in industrial training and in the subjects of the regular primary course. The population of Cavite is 134,779, and the number of children of school age, 28,955, the present school attendance representing about 30 per cent of this number.

I have noticed with considerable regret that the average salary of the municipal teachers in the pueblos is only ₱18.85 for males, and ₱17.93 for females. This salary is, in my opinion, insufficient for the work performed and does not offer any stimulus for improvement.

PUBLIC HEALTH AND HYGIENE.

There were 3,691 deaths, 5,960 births, 46 cases of cholera, with 38 deaths, and 48 cases of smallpox, with 27 deaths.

Approximately 90 lepers, picked up in the several pueblos, were sent from this province to Cullon.

During the fiscal year 10,635 vaccinations were performed on infants and children, and speaking in general terms, the sanitary condition of the province is not bad, and it is improving considerably, no disease aside from those mentioned having occurred.

POLITICAL CONDITIONS.

There is no party so strong and vigorous as the Nationalist party. The Progressive party has a few members, but does not meet with general acceptance, especially in the pueblos of the interior of the province. General opinion, as I have already said, favors the Nationalist party, whose platform is independence and self-government under the protection of the great North American nation.

The great politicians of this province, for the purpose of putting into execution these ideas of the grand Nationalist party, advise the people in their speeches that in order to reach the goal desired and to bring about our ideals they must educate themselves, must devote all their energies to the improvement of agriculture and commerce, and must also win the confidence of the government now ruling these islands, in order to show the sympathy and mutual tolerance existing between both peoples, and thus obtain from the great American nation the liberties for which the Filipino people are striving.

The inhabitants of Cavite appreciate the confidence reposed by the government in the Filipino people, and the writer has had an opportunity to observe in the several pueblos visited by him that whenever there was any talk of the supposed conflict with Japan, nearly all stated their intention of placing themselves at the disposition of the government and of working side by side with it, thus showing their sympathy with the present government. They state as a reason for this attitude that America, though a great nation and victorious, did not take advantage of the condition of a vanquished, but heroic people, who observe that the American Government endeavors to improve them, especially in education, which they know independence requires.

Of course, in all the pueblos there are dissensions due merely to slight differences of opinion, which often become personal, and continue in the pueblos, especially when general elections are drawing near. As soon as these elections are over and the passions, so effervescent before the election, have calmed down, all the rancor and hatred is forgotten and the people again live together peacefully and tranquilly, like good brothers.

These statements are corroborated by the past elections for provincial governor and municipal presidents. Prior thereto leaders with their crowds of voters, favoring this or that candidate, were to be seen in all the streets of the pueblos, but the elections being over, these same people, who were apparently bitter enemies and would not look at each other, showed their good sense by renewing friendships and returning to their homes peacefully and tranquilly, because they understand that by doing so they show the American Government that they know how to hold an orderly general election, to respect the will of the majority, and to extol the victorious candidate.

Another proof of the good sense shown by the voters of Cavite during the elections is that the provincial government has not been compelled to make any investigation of protested elections of municipal officers. Had there been any violation of the law, the protests of the defeated candidates would surely have occasioned a great deal of trouble for the provincial board. This is palpable proof that the people of the province of Cavite respect and obey the will of the majority, and so respect it that the only protest filed was one against the election of the provincial governor, which was, in accordance with the law, filed with the courts of justice. In view of the evidence adduced by both sides, the court confirmed the election, declaring that the governor-elect represented the true and genuine expression of the will of the people of Cavite. Respectfully submitted.

LEONARDO OSORIO,
Governor of the Province of Cavite.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF CEBU.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF CEBU,
Cebu, August 5, 1908.

SIR: I have the honor to submit herewith my annual report for fiscal year ended June 30, 1908, which is based upon the personal observation of the writer and on the reports received from the municipalities.

PROVINCIAL ADMINISTRATION.

The provincial government has continued during the present year to aid the municipalities by granting loans, but not all of them have been in such straits as to need them.

The provincial treasurer, Mr. Eugene Garnett, is still acting as treasurer here, and for some time past many persons have been requesting his permanent appointment, for he is conducting his office in a manner that has met with general approval. Since he came to this province the government of the same has introduced the practice of depositing in the banks, at interest, that part of the funds which was not to be soon used, and owing to this procedure the province collected for interest on said deposits ₱5,204.38 during the present fiscal year.

MUNICIPAL ADMINISTRATION.

The municipalities, of which there are 7 first-class, 4 second-class, 20 third-class, and 10 fourth-class, continue to be organized in accordance with the provisions of the municipal code. There is a general effort on the part of the municipal authorities to manage their municipalities as well as possible, but notwithstanding this a few have been guilty of maladministration. During the present fiscal year 4 councillors were removed from office and one municipal treasurer having embezzled ₱289.07 was sent to jail for six months.

PUBLIC WORKS.

The provincial public works, over which the district engineer has had special charge, carried on during the present fiscal year, are set forth in the following table:^a

The largest appropriations made by the province were out of the road and bridge funds, out of which during the present fiscal year ₱74,976 were expended under this head, while during the past year only ₱20,176 were so disbursed.

I have not yet received data from all the municipalities relative to the public works carried on in them with municipal funds. The following table shows which and what kind of work has been carried on and the total cost in each case:^b

^a This statement of construction projects has been omitted and is on file in the Bureau of Insular Affairs, War Department.

^b Omitted and filed in the Bureau of Insular Affairs, War Department.

I can say, however, that generally speaking they all have endeavored this year to set aside a large part of the municipal funds for public works.

I deem it necessary to make special mention here of the port works, already completed at the expense of the insular government. The great importance of this improvement of the port of Cebu, together with the railroad opened by the Philippine Railroad Company, will doubtless mark, within a short time, a new era in the commercial life of this province.

ECONOMIC MATTERS.

The administration of government in the entire province of Cebu shows nothing incompatible with the good rules of economy. As we were passing through the initial period of a renaissance, it was natural that great necessities should be wanting here, the first being public buildings, and especially schoolhouses. However, care has always been taken that the public expenditures should not exceed the receipts, and therefore the provincial funds as well as the municipal have been put only to such use as was counseled by a strict sense of rectitude and prudence, and it may be said that no useless public expenditure has been made. The land tax having been suspended for a long time, the question of funds to meet necessary expenses troubled many municipalities. Although the province is not in financial straits at present, it will be so if one of the taxes established by existing legislation, the land tax, continues not collected, or if no other tax is found to take its place. The experience of the past years has shown that this tax has swelled the public treasury to such an extent that it was possible to maintain the government until the present, as it is being carried on. However, this tax having been suspended for a considerable time, some of the municipalities have already felt the consequences by finding their funds deficient, and if a large part of them were successful in undertaking important work, such as the erection of municipal buildings and schoolhouses, it was due to their having had recourse to loans, some of them from the province, and others from the insular treasury.

The writer is not unaware of the fact that there was some outcry against the land tax among the inhabitants of this province, but believes that very few have sought for another tax to take its place. The latter question, however, is the main issue. It had, of course, to be considered not only which tax would fall the heaviest on the shoulders of the people, but that a tax must always so fall, especially during its reconstruction. It seems that they all studied the first question well and found that the land tax was very burdensome; but, to my knowledge, no one has so far taken up the second question with a view of finding a solution. The consequence is, that while we are endeavoring to relieve the people from taxes, the problem, how to begin to reconstruct the government, remains unsolved. It goes without saying that in all undertakings, the beginning costs the most and requires the greatest sacrifices. The most serious economic problem consists in finding the manner of demanding from the people that cooperation which, without exacting great sacrifices, will best aid the administration of the public interests. I am of the opinion that the revenues collectible under the present laws are necessary and that if necessity should arise to abolish any of the present sources of taxation, another should be found to take its place, so that without the sacrifice seeming too burdensome to the people, the same result would be obtained.

FINANCES.

The only revenue accruing to the province is that derived from the taxes, and with these alone the provincial government of Cebu is maintained. The following table shows the financial progress of the provincial administration of Cebu for 1906, 1907, and 1908, with regard to the revenues of the province and their application:*

Like the province, many of the municipalities were able to show good balances for the year ended on December 31 last, and one municipality only—Catmon—had a deficit which amounted to ₱388.47. I again say, however, that care has always been taken in managing the revenues so that no municipality (except Catmon) has spent more than its revenues permitted.

*This comparative financial table has been omitted, and is on file in the Bureau of Insular Affairs, War Department.

Cebu being densely populated, the real estate is, in consequence, divided into small holdings, although only 137,592 thereof were declared in the assessment rolls. It can, therefore, be said, without fear of making a great mistake, that three-fifths of the population of Cebu are of the laboring class.

AGRICULTURE.

Some of the pueblos, and not a few, it is true, have during the year remained in a state of stagnation as regards agriculture, owing to the calamities of the past, while others have bettered their condition. The reports of the presidents of 11 municipalities show that the agriculture has improved. The cultivation of maguey has become more general, and that of abaca, for which certain parts of the island of Cebu are suited, has acquired greater proportions. In some of the pueblos connected by the new railroad there has been some neglect of the fields, owing to the fact that the work of constructing the road attracted a goodly portion of the hands then employed in farming. Notwithstanding this, mention must be made of the fact that some of the pueblos have been scourged, though for short periods only, by plagues that ravage the crops, such as of mice, which laid waste the fields of Bogo; that of locusts, which desolated those of Tudela, Carmen, and San Francisco, and the rinderpest, which reappeared in Mandaue, Liloan, and Carmen. The ravages caused by the latter during the past, as well as during the year 1908, have until now not been remedied in any way, and the cultivation of maguey, requiring less work by the carabaos, has become more general. The lack of carabaos has rendered farming very difficult, but the people of Cebu are exceedingly industrious, and the necessities of life have always been satisfied by the farmer. The new Cebu-Toledo road, a large part of which is completed, and all of which is in a good state of preservation, offers a new field of action to the farmer. The center of the island of Cebu, through which it runs, was formerly to some extent inaccessible, but now that it has been made accessible, the first noticeable advantage resulting therefrom is naturally the opening for cultivation of the fields in its proximity, and large tracts of land covered with luxuriant maize plantations can now be seen on both sides of this wagon road.

COMMERCE.

Apparently inland commerce has remained stationary, and there has been no indication of any mercantile progress. Foreign commerce, however, seems to have improved, judging by the receipts of the port of Cebu, which were ₱1,740,507.82 during the present fiscal year, as compared with ₱1,605,182.96 during the past year, an increase of ₱135,324.86. It must be mentioned that the island has already exported 1867 piculs of maguey, a product which has been tried here only recently, and which may soon take its place with abaca, tobacco, and sugar as one of the articles of export of this province. As to importations, rice comes in smaller quantities, as a large portion of the population of Cebu lives on corn, from its own fields. The consequences is that owing to the revival in agriculture during this year and of the increase of the import duty on rice, the customs receipts have suffered a decrease in the importation of this alimentary product. At times the production of corn, on this island is so great as to greatly exceed the needs of local consumption and has to be exported to the neighboring islands, the majority of whose inhabitants are also consumers of this product.

INDUSTRY, MANUFACTURES.

Manufacturing has remained stationary, and nothing has been undertaken to give an impulse thereto to the extent of causing an outside demand for its products. Generally all industrial products are used within the locality manufactured, although it must not be said, however, that there are no important industries. Textiles of pineapple fiber (piña), cheese, abaca cloth, sacks of matting, nipa, ordinary straw hats, mats, fishing nets, salt, baskets, bamboo and wooden chairs, slippers, shoes, kitchen and dwelling-room utensils, carts, furniture, pottery, tinware, silverware, and bricks are manufactured, but are consumed in the localities where made.

The lack of impulse in these industries is due to the lack of means for their betterment, and the writer believes that the bureau of science should devote some attention to finding a means of obtaining a greater production with a less effort on the part of the producer. Everything is done by hand, with the aid

of faulty instruments in some instances, and it is evident that a larger production can not be expected. Be this as it may, it is certain that until now neither has the necessity for increased production been felt nor has there been any encouragement in this direction.

NATURAL WEALTH.

Nothing of importance can be said with regard to forestry, as the forestal area, having been under cultivation for many years, is of very little importance. The bulk of the lumber used for buildings and other purposes comes from the outside.

As to mines, the following table will show the progress made during the year.^a

PUBLIC INSTRUCTION.

This branch of public administration has made considerable progress, and while the average daily attendance of all the schools of this province during 1907 was 17,758, the mean daily attendance during the present year, 1908, has been as high as 25,853.

The municipal teachers number 287 men and 148 women and the insular 81 men and 1 woman. Mention should be made of the fact that municipal teachers are poorly paid, the average minimum salary being ₱6, and the average maximum salary not exceeding ₱27.25. Notwithstanding this the self-denial of these teachers is growing, and it is doubtless due to it and to the uncommon activity displayed by the division superintendent of schools, Mr. J. C. Muerman, in his visits to the schools, even to those situated in barrios far distant from the centers of population, that the daily attendance has so largely increased.

NONCHRISTIAN OR PAGAN TRIBES.

Being old in the history of the archipelago, older than any other of the islands, Cebu of necessity shows the effects of civilization. No pagan tribes are known here, nor has the mass of the people any recollection or idea of any. Christianity has been the factor which first aided the Filipinos in loving each other, and for a long time has caused neighbor to know his neighbor, so that to-day there is no other division between the pueblos than that established by geography. The notion of a greater collectivity than that of the tribe has been perfectly acquired, and there is not known an inhabitant here who is not a Christian, unless he belongs to some other religion known to modern civilization.

PUBLIC HEALTH AND SANITATION.

The sanitary condition is not altogether satisfactory, especially that of the capital, as we lack good sewer and potable water systems. However, no epidemic, except a few cases of smallpox on the other side of the island, has made its appearance, and this was quickly checked by the sanitary authorities. The writer has the satisfaction of not having to report any case of cholera during the last epidemic. I attribute this good fortune to the foresight of the present district health officer, who has always been ready to take efficient measures to combat epidemic diseases. At present there is a municipal hospital, maintained by the municipality of Cebu, for the benefit of the municipal employees and the poor. It is a very modest institution, but in it some 263 patients, male and female, have received treatment by the municipal physician, 238 being cured, 9 having died, and 16 still being under medical treatment on the last day of May of the present year. Lepers have given the most trouble to the provincial and municipal authorities, as their aversion to banishment from home and the separation from those they love was very profound, and much effort has been required to induce them to submit to going to Cullion. The number of lepers sent there from the beginning until the present writing is 1,135. It is believed there are still approximately 100 lepers in Cebu, many of them being in the municipalities of Cebu and Talisay. The question of the cemeteries is another sanitary problem still to be solved. In the entire province

^a A table showing the register of record locations of mining claims in the Province of Cebu for the fiscal year 1908 has been omitted and is on file in the Bureau of Insular Affairs, War Department.

of Cebu, composed of 41 municipalities, only 27 cemeteries have been opened, while 22 have been ordered closed. The district health officer continues his efforts to put them into good sanitary condition. Between July 1, 1907, and May 31, 1908, there have been 9,297 deaths and 29,196 births. When the census was taken the population of the province of Cebu was 853,727, while at present, according to the data in the records of the bureau of health, it is 750,535, an increase of 96,808 souls in five years.

Because of the opium law, which prohibits the use of this drug except for medicinal purposes, a place was set aside in the provincial jail as a hospital for the cure of persons addicted to this habit. This hospital was opened on April 15 of the present year and closed on May 26. The following table shows the number, race, and sex of the patients treated therein:

	Male.	Female.
Chinese.....	27	.....
Filipino.....	16	21
East Indians.....	1	.....
Total.....	44	21

PUBLIC ORDER.

The writer assumed his present office almost immediately following the surrender of two important revolutionaries, who were afterwards called bandits—Quintín Tabal and Anatolio Tabal. This surrender was due, as the governor-general already knows, to the efforts made and the uncommon tact and ability displayed by my brilliant predecessor, the Hon. Sergio Osmeña. The most complete peace prevailed in this province for the first time, after long years of horrible intranquillity, when the writer, owing to an unexpected favor of the insular government, came to assume the office of provincial governor of Cebu. It has cost me little effort, almost none, to preserve peace, and during the entire period covered by this report there has not been a single case of public disorder, though the appearance of stray brigands in the fastnesses of our mountains could not be avoided. This peaceful situation has, however, not been productive of neglect and overconfidence on the part of the officials, among whom I must mention the constabulary, whose senior inspector, Capt. Lemuel E. Boren, has displayed all the tact, ability, and prudence necessary to preserve the most perfect harmony, with his organization on the one hand and with the provincial governor and the municipal presidentes and police on the other—a harmony which seemed to be lacking at other times and places. It being my desire to bring the municipal police service to a state of efficiency worthy of that institution, I have made use of the services of a constabulary lieutenant, Mr. Charles Schreiner, to instruct and discipline them. His service has been completed, and the municipal police of the province of Cebu have been improved. For some time the police has been well uniformed in khaki cloth, with blue trimmings, suggested by the senior inspector, Captain Boren. Since the administration of Governor Osmeña the municipal police has played an important part in bringing about and preserving peace. It was found advisable to provide them all with firearms, at least with revolvers, as few municipalities have now a well-armed police. The arms issued by the insular government, and it seems that at present there is not a sufficient number to satisfy the demands of all. There exists another difficulty in securing arms, as according to the requirements of law before the municipal police can be furnished with firearms the municipal council must first execute a bond, and at times, as it has happened in the provincial capital, all of the property of the members of the council taken together does not suffice to cover the security necessary, and it becomes impossible to arm the municipal police. It is therefore suggested that the law be amended for the purpose of eliminating the difficulties which have arisen in practice.

The condition of the provincial jail shows some improvement. A dispensary has been installed and a physician has been employed for the care of the sick. The guards have been increased and now consist of 1 warden, 1 assistant warden, 1 sergeant, 4 corporals, and 30 privates. The jail is at present being provided with a guardroom, the provincial board having appropriated ₱10,000 for this purpose.

POLITICAL CONDITIONS.

No political dissensions exist in this province—that is, there is no sign of the existence of a political party other than that which maintains that the Philippine people feel capable of ruling themselves. The electoral struggles have never been due to causes of a really political nature, but to personal matters, as during the last elections no candidates presented themselves because of different political convictions, but only because each considered himself more capable than anybody else of serving his people. This idea being intimately related with self-esteem, the discord that arose during the last elections continues, as the defeated candidates feeling humiliated and thinking that their defeat signified for them a decision that they were less capable, determined to continue the struggle against their adversary, and to deny to him the cooperation to be expected by the victor, the result being that the latter is made the victim of a continuous shower of more or less groundless criticism. A few of the candidates defeated during the last electoral struggle, and profoundly enraged by their defeat, have had recourse to newspapers for the sole purpose of making daily contributions to their columns in the shape of bitter words against their enemies now in power. From this point of view, it may be said that political conditions are somewhat turbulent in the province of Cebu. This has, however, not been destructive of the unity in political convictions, with regard to the political future of the Philippine people. There are claims of one being more capable than the other, but when the issue affects the common interest, when it affects the interest of the entire people, when it affects, in one word, the final fate of the supreme idea, the fatherland, then all divisions disappear and there is only one voice to be heard—that which demands that the Philippine people be recognized as capable of governing themselves.

Respectfully submitted.

DIONISIO JAKOSALEM,
Governor of the Province of Cebu.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF ILOCOS NORTE.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF ILOCOS NORTE,
Laoag, July 10, 1908.

SIR: I have the honor to transmit herewith my report for the fiscal year ended June 30, 1908.

PUBLIC ADMINISTRATION.

The provincial government is administered in a satisfactory manner.

FINANCIAL MATTERS.

The financial condition of the province and of the municipalities on June 30, 1908, is shown in the following table.^a

PUBLIC WORKS.

The government of Ilocos Norte has half finished the repair of the government building, and it is hoped to begin work on the trade and high school so soon as such repairs have been completed and the money therefor has been received from the insular government.

^a This table has been omitted and is on file in the Bureau of Insular Affairs, War Department.

Much road and bridge building was done, and the expenditures for this purpose have amounted to ₱22,528.27, distributed as follows:

Laoag-Badoc road.....	₱11,090.28
Laoag-Bangui road.....	508.23
Laoag-Dingras road.....	23.65
Laoag-Vintar road.....	411.49
Laoag-Bangui bridge.....	1,418.98
Laoag-Badoc bridge.....	2,888.89
Laoag-Dingras bridge.....	30.89
Act No. 1688.....	6,148.86
Total.....	22,528.27

Long stretches of the Laoag-Dingras road also were repaired by provincial prisoners in March, April, and May before the beginning of the rainy season.

PUBLIC ORDER.

As always, good order and profound peace and tranquillity have reigned among the inhabitants without one single lapse to occasion a disturbance.

The delivery of property resulting from the litigation warmly contested by the two churches, the Philippine Independent and the Roman Church, was made without trouble, causing great surprise to many who had believed that a disturbance would be inevitable, as the unfavorable result to the people was contrary to their hopes and deep convictions.

Some municipalities protested against the delivery and made it known that they would appeal from the judgment to the Supreme Court of the United States.

There were a few transgressions of the penal law, as is usual in a growing population, but they were not of enough importance to affect public order.

POLICE.

There is one company of constabulary in the province and 184 men in the municipal police force.

The combined patrols of constabulary and municipal police, making the rounds of rural barrios, have given good results, many animals having been captured, and cases of robbery and theft have decreased. There has been no abuse committed by these patrols, and the relations between the constabulary and the people are harmonious.

FIRES.

Many fires occurred during the year, the largest and most destructive being the two of Laoag, one at San Nicolas, and two at Pacay, and large quantities of rice were reduced to ashes.

POSTAL, TELEGRAPH, AND TELEPHONE SERVICE.

Telegraph lines connect the provincial capital, Laoag, with the municipalities of Batac, Badoc, and the barrios of Currimaos, and telephone lines Laoag with Bangui and the barrios of Dirique, San Miguel, and Dingras.

Other telephone lines are being strung to Piddig, Bacarra, and Pasuquin, and it is hoped they will be in operation by the middle of July.

The postal service is in good condition, mails arriving and leaving twice a week.

ADMINISTRATION OF JUSTICE.

The administration of justice by the court of first instance during the fiscal year is shown in the following table:^a

PROVINCIAL JAIL.

The provincial jail is in very good condition, and during the year there has not been a single death among the prisoners.

^a This table has been omitted and is on file in the Bureau of Insular Affairs, War Department.

AGRICULTURE.

Owing to the persistent drought, which began in September last and continued until after the rice crop had been harvested, and to the dry winds then prevailing, the production of this staple suffered a shrinkage of from 3 to 9 per cent, and alarming reports of the possibility of a terrible famine arose.

The rice crop amounted to only 360,000 cavanes.

To prevent the threatened famine, the province planted a large number of food and other plants, and the consoling aspect of these crops somewhat allayed the fear of famine, especially when they began to mature, but the storm of May 28 prostrated our hopes by destroying a considerable number of plants just coming into bearing or ready for harvest.

However, the corn, mongo, and beans yielded some crops, which will to a certain extent supply the deficiency in the rice crop.

Maguey and tobacco have also suffered great losses, which have not discouraged the farmers, who have taken advantage of the rains by again sowing their rice fields or planting other good crops.

They have not neglected to plant maguey, and in spite of the notable depreciation in the price of this textile 14,000,000 plants were set out.

Tobacco was planted on a large scale, especially in the towns of Bacarra, Batac, Dingras, and Bangul, and, notwithstanding the losses suffered by the storm, some 11,000 quintals were harvested.

Although it is only a short time since rinderpest was prevalent, and this disease was felt at Batac and Paoyay this year, the decline in agriculture is not due so much to the number of work animals as to the lack of good methods of irrigation.

COMMERCE.

Commerce is almost entirely in the hands of Chinese, who deal in foreign merchandise, although there are a few small stores conducted by natives.

As rice was scarce, it was recommended to the municipal councils that measures be taken to prevent its sale outside the province, but some was exported by the owner of the rice-cleaning factory and by others who had an abundant supply, the total value of this export having amounted to ₱90,000.

In comparison with last year, there was a notable falling off in the receipts from maguey, as only about ₱100,000 were derived from this product.

Some 8,965.28 quintals of tobacco, costing ₱41,759.19, were exported; also large cattle, and especially horses, to the value of ₱150,560.

ECONOMIC MATTERS.

As a result of the failure of agriculture a certain shortness of food is noted, rice having risen in price to ₱6.75 a cavan, but it is thought that about August or September the scarcity of rice will be more intensely felt, and will be supplied by other food products and by the very early rice sown after the storm in May, which will be in bearing by September.

PUBLIC INSTRUCTION.

The desire of the young people to acquire an education has experienced no diminution, but rather has continued and still continues to develop. To this ever-increasing enthusiasm the government faithfully responds, affording every opportunity to meet the necessities of education by repairing schoolhouses, building new ones, and issuing instructions to fathers of families to send their children of both sexes to school.

There are 132 schools, classified as follows:

High school	1
Trade school	1
Central schools	19
Barrio schools	107
Settlement schools	4
Total	132

The enrollment and average attendance are as follows:

	Enroll- ment.	Average attend- ance.
High schools	455	891
Central and barrio schools	15,857	11,030
Settlement schools	230	201
Total	16,542	12,522

The figures given for central, barrio, and settlement schools are specified by towns.^a

There are 225 teachers, those in settlement schools being classified as special provincial teachers.

Industrial work, which is taught in all the schools of the province, is making notable progress. Besides the weaving of hats and baskets, domestic science, horticulture, agriculture, and the manufacture of cotton textiles is taught in the schools of all the municipalities, each being provided with two or more looms.

Agricultural work is also in very good condition, the practical cultivation of seed plants and orchards being taught with good results, and it is hoped that in a short time work may be done in the agricultural school at Laong.

It will be noted, however, that the number of pupils enrolled in the public schools during the present fiscal year is not very great. This was due in part to the shortage of crops, which caused some fathers of families to forbid the enrollment of their children, who were needed on the farms, and to the fact that a relatively large number of children of school age were enrolled in private schools and colleges, some of which have only recently been opened.

The expenditures for construction and repair of municipal schools during the fiscal year amounted to ₱9,471, in addition to the voluntary free labor contributed for that purpose.

The recent storm destroyed a large number of barrio and some central schools, but a few of the former have already been freely repaired by the residents of the different barrios. The destruction of these schoolhouses did not interfere with the opening of the term, as those which were not immediately repaired were replaced by private houses, some of which were rented, while others were freely given by their owners for school purposes. The truly commendable attitude of the inhabitants of Piddig toward education is deserving of special mention. The old central schoolhouse having been declared in bad condition, they constructed a new one, freely contributing lumber and labor, the ₱500 appropriated for this work having all been used in the purchase of galvanized iron.

The same was done by the municipality of Bacarra, which constructed free of charge 3 barrio schools.

INDUSTRIES.

The principal industries showing progress are shoemaking, tailoring, wheelwrighting, and carpentry.

The manufacture of hats, pocket cases, fans, and household furniture, and adornments made of cane have received a notable impetus.

The manufacture of bricks and lime has increased and many brick and stone houses have been constructed.

NATURAL RESOURCES.

Forestry. All the municipalities except Laong, San Miguel, and Paoay have forests growing good building timber, nearly all containing narra and molave. At Bader and Panzai there is ebony, and in Batoc is found the medicinal plant called "carrapina."

^aThese tables have been omitted and are on file in the Bureau of Interior Affairs, Far Department.

Minerals.—During the fiscal year 10 mining claims were recorded in this office, as follows:

Class of mineral.	Location.	Number of applications.
Ocher	Bangui	1
Manganese	do	6
Placer mine, unclassified	Pasupuin	1
Do	Bangui	2
Total		10

Up to the present time the only exportation from these mines has been that of manganese at ₱24 a ton, although there was formerly recorded exports of asbestos from mines at ₱0.50 a cavan, lime at ₱0.20 a cavan, and chalk at ₱0.60 a cavan, Pasupuin having been the town of their origin.

It is confidently asserted that there is a 18-carat gold mine at Piddig, but up to the present time it has not been located, and there is a report that in the jurisdiction of Batac are many mines of different kinds, such as iron, yellow ocher, marble, alabaster, etc., but no locations have been recorded.

NONCHRISTIAN TRIBES.

There were formerly 12 settlements of Igorots in Ilocos Norte, as follows: Tibangran or Barungubong, Uguis, Garnaden, Bugayong, Barcelona de Flor (formerly Padpad-ong), Padsan, Cabittauran, Paor, Patoc, Dumalneg, Aoan, and Bayag, but upon the passage of Act No. 1642 the last two fell within the boundaries of the subprovince of Apayao. There remained 10 settlements, but on August 12, 1907, the secretary of the interior approved the consolidation of Paor and Patoc under the name of Paor-Patoc, so that to-day there are only 9.

According to the latest information the number of inhabitants in each settlement is as follows:

Settlement.	Inhabitants.
Tibangran or Barungubong	176
Uguis	186
Garnaden	81
Bugayong	101
Barcelona de Flor (formerly Padpad-ong)	58
Padsan	98
Cabittauran	74
Paor-Patoc	184
Dumalneg	821
Total	1,778

During my visit of inspection to the settlements last May I found that the inhabitants had their little houses built after the style of the dwellings of the Christians, some of them being of wood, and that they are grouped together at some little distance from each other and from the presidencia and school.

The non-Christian tribes have schools at Tibangran or Barungubong, Garnaden, Paor-Patoc, and Uguis, which are attended by 200 pupils of both sexes, eager for education.

Peace and harmony reign among them, and their respect for and obedience to the laws is worthy of note.

As a result of the attack in April on the settlement of Cabittauran by Apoyanos, who cut off the head of an unfortunate person they ran across, and the attack of Dumalneg in May, when the attacking party carried off some fishing implements, Colonel Taylor, of the constabulary, recommended that a detachment of constabulary be stationed at Bangui to patrol Dumalneg, and that patrols of the towns of Badoc, Batac, and Dingras include within the territory covered by them all other settlements to prevent the recurrence of these misdeeds which have been taking place for the past three years.

The elections held last December in all of the 9 settlements except Dumalneg for the selection of their officials and agents were conducted peaceably.

No election at all was held at Dumalneg and Bangul, as it was believed the inhabitants thereof do not yet possess the necessary qualifications to vote, and their officers and agents were appointed by the provincial governor.

The greater part, if not all, of the non-Christian inhabitants raise hogs and goats, and some of them also have large cattle.

The men are engaged in hunting and fishing, cultivate their seed plots or highlands prepared by them, and sow corn and other plants, while the women make baskets and mats.

Upon receipt of a petition of the inhabitants of all of the settlements that the same be deeded to them, I recommended to the secretary of the interior that the district engineer survey each settlement and fix its boundaries after notice to the president of the municipality nearest the settlement and to all other persons concerned, and that after the area is known the land be deeded in accordance with section 5 of act No. 1397, without prejudice to the rights previously acquired by the non-Christians themselves and by Christians, after deeding over to each non-Christian so much as is necessary for his dwelling, tillage, and support, without prejudice to compliance with the provisions of the land-registration act.

POLITICAL CONDITIONS.

The great interest shown by the people both in the election of delegates to the Assembly in July and in that of governor and third member of the provincial board, as well as in those for municipal presidents and councilors in November, shows that the people have in their own hands, though indirectly, the proper management of their own interests, and that it depends on them to choose good officials and have just laws, appropriate to their customs and habits and manner of life.

In the election for delegates only 2,647 electors registered, 1,132 in the northern district and 1,515 in the southern district. The small registration was due to the election falling in July, when the season for transplanting rice is at its highest, so that the electors were, as a general rule, engaged in farming at a distance from their towns. The inhabitants of the coast towns like Laoag in the majority of cases are engaged in tilling the lands to the east, as those at Solsona and Dingras.

For the election of governor and third member of the provincial board in November, 4,510 electors registered, and the elections were well conducted. The fear of the electors that their votes would not be deposited in time brought large crowds to the polls at times, but the police were there to keep order.

The direct election by the people of the provincial authorities is much better and more efficient than the former method, by an absolute majority of the votes of the councilors.

PUBLIC HEALTH.

The hygienic condition of the province leaves nothing to be desired, as during the fiscal year no epidemic disease was reported.

In the municipalities of Laoag and Piddig there are lepers, but measures have been taken for their isolation and to prevent the spread of the disease.

There is no president of the municipal board of health in Laoag, San Miguel, Dingras, Batac, Bacarra, or Bangul.

The health conditions of Ilocos Norte are shown by the following table:

Towns.	Popula- tion.	Births.	Deaths.	Per 1,000—	
				Births.	Deaths.
Laoag	49,914	2,108	1,160	42.2	23.2
San Miguel	10,974	575	263	52.4	24
Piddig	10,611	319	188	30	18.2
Dingras	24,967	912	520	36.5	20.8
Batac	29,018	1,020	523	35.2	18
Paoy	14,397	401	215	27.9	14.9
Bacoc	14,157	672	296	47.4	20.9
Bacarra	24,616	1,254	412	50.9	16.7
Passiquin	7,882	380	140	48.2	17.7
Bangul	11,544	386	168	33.4	14.5
Total	198,060	8,026	3,845	40.5	19.4

*Average.

The diseases which have caused the greatest mortality in the province are:

Fever	1,044
Convulsions	295
Dysentery	428
Diarrhea	274
Total	2,041

There are 20 cemeteries which are in good condition and 8 closed as old and insanitary.

There were a few cases of rinderpest of a light form in Batac and Paoay, and all possible sanitary measures were taken to combat this disease.

Respectfully submitted.

POLICARPIO SORIANO,
Governor of the Province of Ilocos Norte.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF ILOCOS SUR.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF ILOCOS SUR,
Vigan, July 15, 1908.

SIR: I have the honor to transmit herewith my report for the fiscal year ended June 30, 1908.

AGRICULTURE.

Agriculture is of the most rudimentary kind, no improvements nor modern farming tools and implements having been introduced. Modern inventions and machinery are not used in the manufacture of sugar and indigo, nor in stripping maguay and other plants. The installation of a maguay stripping machine in the school of arts and trades of this city was attempted, and the property owners were invited to bring leaves of this plant for the test. The most prominent property owners of the locality responded to this call, but the machine was in operation a very short time only, as it did not give satisfactory results.

The rice crop was very short, owing to the general drought, which caused the death of the plants, the crop harvested being estimated at not more than 45 per cent of the average one. In view of this, the inhabitants of this province and the subprovince of Abra planted corn and other graminee to prevent the famine which would necessarily have been suffered, and were able to secure a good crop, the greater part of them two crops, especially in the subprovince of Abra, and there would have been three crops if the greater part of the third crop had not been destroyed by two consecutive typhoons.

As rice is the basis of the food of the Filipino and as this plant lives in the water, it is necessary, in order to prevent the frequent lack of it, to introduce a system of irrigation not fed by small pools which must depend upon rain.

The fields were also tilled with difficulty because of the scarcity of work animals, owing to the continual mortality among them, the rinderpest having again appeared in almost all places in the province, especially in Abra, from which the following data are supplied by the lieutenant-governor:^a

Of cattle, 838 head were inoculated with serum, and of these 133 were attacked with rinderpest and 80 died. Thus the proportion of inoculated cattle which were attacked and died bears the following relation to the total number inoculated:

	Per cent.
Attacked.....	15.8
Died.....	9.5

The method of inoculation employed does not therefore fulfill curative requirements; and the only efficient preventive means is isolation by the employment of health officers to guard and take charge of the quarantine corrals.

^a Omitted, and filed in the Bureau of Insular Affairs, War Department.

COMMERCE.

Land, water, and maritime business has suffered prostration, so much so that maguay and sugar, the principal sources of Ilocos wealth, had no market.

The number engaged in business on a small scale was reduced to a very few, as there are almost no purchasers.

ECONOMIC MATTERS.

The financial condition of the province is set forth in the following table:^a

FINANCIAL AFFAIRS.

According to the data furnished by the provincial treasurer there was on July 1, 1907, a balance of ₱67,060.03, and during the fiscal year 1908 the total collections amounted to ₱155,005.41. The receipts from different sources amounted to ₱127,381.04, the result being, therefore, a balance of ₱95,584.40 on July 1, 1908.

PUBLIC INSTRUCTION.

Public instruction has advanced with rapid steps during the school year of 1907-8, its surprising results being visibly notable in the youth of all classes of society, although the number of schools has decreased, owing principally to the suspension of the land tax, as shown by the following table:

	Primary.	Intermediate.	High.	Industrial.	Teachers' normal. ^a
Number of schools	146	9	2	1	2
Number of pupils matriculated	15,033	917	85		
Average daily attendance	8,557	723	68		

	American.		Filipino. ^b		Municipal.	
	Male.	Female.	Male.	Female.	Male.	Female.
Number of teachers	18	8	28	10	116	68

^a One of the teachers' normal institutes is at Vigan and one at Abra.

^b Insular teachers.

The special insular teachers for Christian towns in the province were in former years considered as temporary, and the following is the total of special insular teachers for Tinguilane towns:

Male 15
 Female 0

The total average of the total amount paid monthly to municipal teachers for salaries is ₱2,572.92.

Private instruction is the same as in previous years. We have the seminary college of the Purísima Concepción of Vigan, managed by the Jesuit fathers, where courses in primary and secondary instruction are given and where a large contingent of pupils from various provinces attend; the Vigan girls' college, which is in charge of the religious sisters of the order of San Pablo de Chartren, which also has quite a large number of day scholars and boarders; the Ilocano University, with a small number of pupils; and many other colleges and private schools where primary and secondary instruction is given.

INDUSTRIES.

Among the commonest industries of this region are the manufacture of salt, lime, maguay, sugar, indigo, pottery, leather, native hats, mats, furniture, and hunting and fishing, etc., but they are on a small scale and old methods are used.

^a Omitted, and filed in the Bureau of Insular Affairs, War Department.

MANUFACTURES.

The distillery at Santa continues in operation, but is about to be transferred to the barrio of Tamag, Vigan, Ilocos Sur, because of the danger of being carried away by the floods of the Abra River. It is the only one remaining in operation and having modern equipment.

There are also small factories of vehicles, riding equipment, small sailing vessels, shoes, tanneries using the most primitive methods, and cigars.

NATURAL RESOURCES.

This province has at present very few natural products, but gypsum in the mountains of the northern part of the province and the quarries in the mountains of San Esteban, Santiago, in the southern part, should be mentioned.

Forestral products are small in amount as compared with the other provinces of the archipelago, and are taken from the mountains of the subprovince of Abra and from some in Ilocos Sur for the frames of houses and domestic use. At present a lumbering concern, called the Abra Lumber Company, is exploiting the forests of the subprovince of Abra. The reports from the bureau of forestry show the following products to have been used during the fiscal year:

	Cubic meters.
Stone	12, 000
Timber of all groups	1, 000
Firewood	4, 000
Rattan	1, 000

NONCHRISTIAN TRIBES.

In this province of Ilocos Sur (and subprovince of Abra) there are 14 townships organized in accordance with the provisions of Act No. 1397, of which nine belong to the subprovince of Abra and five to Ilocos Sur. During the fiscal year six townships were organized in accordance with the same Act No. 1397, one in Abra and five in Ilocos Sur.

POLITICAL CONDITIONS.

No political or social disturbances occurred in this province of Ilocos Sur (also subprovince of Abra) during the year, and complete peace and tranquillity are enjoyed. There occurred a few crimes, a few fires, and two consecutive typhoons which caused great damage to plants, houses, and vessels, the whereabouts of five of the latter being still unknown and fears being entertained for the lives of those embarked in them. The losses therefrom are estimated at ₱120,000.

The provincial government in consequence, owing to these normal conditions, has not had any unusual work upon its shoulders to distract its attention from directing the ordinary course of public affairs, although it was necessary from time to time to attend to matters referring to complaints against presidents and councilors.

There were also election protests, as the result of which the inspectors of the third precinct of the municipality of Vigan, those of the towns of Candon, Santa, Tayum, and La Paz, and the inspector-elect of the municipality of Lapog, Ilocos Sur, were convicted.

The town of Santa Catalina was separated from the capital, Vigan, and Tayum from Bangued, Abra.

These are the only notable facts worthy of mention.

The total number of the inhabitants of the province of Ilocos Sur (and subprovince of Abra) is 250,038, including civilized and noncivilized people, who are distributed in 20 municipalities, counting townships and settlements.

Under Act No. 1397 there have been organized five townships in Ilocos Sur and one in Abra.

The municipal police of the province is composed of 229 men, distributed among the municipalities in proportion to their greater or lesser importance.

The work of the court of first instance of this province during the fiscal year has been as follows: *

* The table showing this information has been omitted and is on file in the Bureau of Insular Affairs, War Department.

PUBLIC HEALTH AND SANITATION.

Sanitary conditions have undergone no change worthy of mention, and although smallpox and malarial fever appeared in the province of Ilocos Sur, there were so few cases that the public health may be said to be quite good.

The total number of deaths from all classes of ordinary diseases up to March 31, 1908 (data for the last quarter not being at hand), was 3,943, and of births, 8,067.

The diseases which have caused the most deaths were intermittent fever, 580, and smallpox, 107, most of the cases of the latter having occurred in Cabugao, Ilocos Sur, there being none at all in Abra.

This province was cleared of lepers, although three or four succeeded in escaping from the reconcentration zone by night by swimming, owing to the fact that there was bad weather at the time of awaiting the steamer which came to receive them, and it may be said that the province is free from this disease.

PUBLIC WORKS.

Activity is being displayed in the work of repairing and improving the general highways which cross the entire province from north to south and in the interior of the subprovince of Abra.

As a result of the last two typhoons the Pideg road, between Santa and Narvacan, was completely destroyed by the dashing of the waves, and a new road has been opened by cutting through two mountains.

Many bridges have been constructed, some have been repaired, and others are in course of construction.

RECOMMENDATIONS.

The following improvements are needed:

1. The establishment of an irrigation system at an early date.
2. The opening in the province of a branch of the agricultural bank, should such bank be organized.
3. In order to save the lives of thousands of inhabitants of San Julian, one of the barrios of the municipality of Vigan, Ilocos Sur, endangered every year by the floods of the Abra River, the construction of an iron bridge to unite that barrio with the capital, Vigan.
4. The dredging of the mouth of the Pandan River, so that vessels of light draft can enter the roadstead.
5. The relief of merchants from the burdens imposed by the internal-revenue laws.
6. The declaring of the port of Salomague, Cabugao, Ilocos Sur, a free port on the same conditions as that of Ilollo.
7. An amendment of Act 1627, granting municipal presidents power to try violations of municipal ordinances.
8. The granting to provincial governors of the power to dispose of the distribution of communal waters in their discretion until new irrigation systems be established.

Very respectfully,

E. REYES,
Governor of the Province of Ilocos Sur.

The GOVERNOR-GENERAL.

Report of the Lieutenant-governor of Abra, Ilocos Sur.

[Translation.]

OFFICE OF THE LIEUTENANT-GOVERNOR,
SUBPROVINCE OF ABRA, ILOCOS SUR,
Bangued, August 4, 1908.

SIR: I have the honor to submit for your consideration the following report of the subprovince of Abra for the fiscal year ended June 30, 1908:

AGRICULTURE.

Principal products.—The principal products are palay (unhulled rice), corn, tobacco, sugar cane, cacao, and others of less importance. Agricultural production during the past fiscal year was as follows:

Palay, 27,181 uyones of 100 bundles each.

Corn, 16,401 uyones of 1,000 ears each.

Sugar, 5,198 piculs.

Tobacco, 4,500 quintals.

Cacao, 39 cavans.

Comparing these figures with those of the preceding crop, we have an increase in palay of 2,181 uyones, from which, deducting 1,367 uyones pertaining to the townships recently organized in Ilocos Sur and to the settlements situated within the territorial limits of the same, but which are under the direct control of this subprovince, whose production was not included last year in the general statement, there results a net increase of 814 uyones, or 3.2 per cent. This difference, although insignificant, is very satisfactory, as it shows that the people have sown and cultivated a good deal of rice, for in spite of the drought, whereby there was a loss of 45 per cent, the increase of more than 3.2 per cent was obtained. On the other hand, corn, deducting from the 16,401 uyones the 729 uyones from the townships and settlements of Ilocos Sur, amounts to 15,972 uyones, which, compared with the 17,000 of the previous year, shows a decrease of 1,028 uyones, or of 6 per cent. Here, also, a good deal of corn was planted, but the last sowing on lowlands suffered a considerable loss from the storm of May last through the inundation caused by the rising of the rivers. As to sugar, 5,198 piculs were harvested, and deducting 3,941 of the townships and settlements mentioned of Ilocos Sur, we have a decrease of 243 piculs, which, compared with the production of the previous harvest, gives us an average of 16 per cent. With respect to tobacco and cacao, we have also obtained a small increase of 7 and 30 per cent, respectively. In fact, 4,288 quintals of tobacco were harvested, which, compared with the 4,000 of the previous year, gives an increase of 288 quintals. And as for cacao, there has been an increase of 9 cavans. The agricultural productions in general have not suffered very much, despite the drawbacks from atmospheric and climatological causes, which is evidence of the assiduous labor of these farmers.

In order to give greater impulse to agricultural production, agricultural committees have been organized in the different municipalities, and it is hoped their labors will give more positive results for the next harvest. The extended planting of tobacco, which has been limited for the past few years, should produce a considerable increase in the next harvest, so that the possible production fluctuating between 10,000 and 15,000 quintals should bring this subprovince an income of from ₱70,000 to ₱80,000 a year.

Irrigation ditches.—In my report for the fiscal year 1907, I explained the necessity of providing the fields with good irrigation dams and ditches, by building some, and improving existing ones. The secretary of the interior under date of January 22 last, addressed a letter to me stating that he had read my report and suggested the advisability of my drawing up a definite plan of irrigation works in Abra for the purpose of submitting it to the secretary of commerce and police, who had at his disposal ₱200,000 for this purpose. During February, March, and April I proceeded to acquire data relative to the present means of irrigation, the area of land irrigated thereby, and the amount of the annual production, as well as data concerning the irrigation dams and ditches that could be constructed and improved, the area of the fields which could be irrigated thereby, and the estimated amount of the production of these fields. I personally collected data relative to 6 municipalities and 14 townships. I intend to first submit these data to the district engineer for the purpose of their comprehensive study looking to a reduction of the number of the most important irrigation dams to 3, or at most to 5, and am waiting for the rainy season to pass so as to be able to carry on the investigations on the ground. From the ₱750,000 provided by recent act for the promotion, establishment, and maintenance of systems of agricultural irrigation in the Philippine Islands and from the ₱200,000 previously mentioned I believe that a sufficient amount can be acquired to provide this subprovince with the irrigation systems I have just mentioned.

Work animals.—The rinderpest has caused a considerable loss among our stock. The municipalities of Bangued, Bucay, Dolores, La Paz, and Tayum and the townships of Barit-Luluno, Lagangilang, Manabo, and Pefarrubio have

been invaded by this terrible disease. The first case appeared about the second half of last January, and although up to the present time there still exist some cases of rinderpest in Bangued, it may be said that in May it had been completely controlled. It is believed the infection came from Bontoc, province of Lepanto-Bontoc, where there were cases of rinderpest during the last months of the previous year. There were attacked by the rinderpest 903 head of stock, principally carabaos, also a very few cattle, of which 775 died, 126 got well, and 2 were still sick on June 30 last. The proportion of those that died, were cured, and are still sick, to the total number of those attacked, is as follows:

	Per cent.
Died	85.8
Cured	13.9
Sick	0.3

The bureau of agriculture sent to these pueblos two inoculators and a veterinary, who inoculated 838 head of stock, of which 123 head were attacked by disease, 80 of them dying. The proportion of animals diseased and of those that died in respect to the number inoculated was:

	Per cent.
Diseased	15.8
Died	9.5

The symptoms observed in the diseased animals were: The absence of appetite, the presence of fever, and very pronounced red mucous secretions of the eyes, and, afterwards, diarrhea; in some, simple diarrhea; in others, diarrhea with mucosity; and in still others, bloody diarrhea; but the majority of them, mucous bloody diarrhea. There have also been cases of acute constipation. The inoculation of serum and isolation in corrals properly situated, under strict surveillance, have been the most efficacious means to combat or eradicate the evil. The provincial board issued very severe rules, and hired sanitary officers whose duty it was to take care of the isolation and quarantine corrals. It is thus seen how the disease can be controlled in a relatively short time, considering the area of the infected district. Some sanitary officers have saved a number of infected animals by giving them astringent drinks. This remedy consisted of a cooked concoction of equal parts of the bark of the guayaba and lomboy trees and sapan-tree roots, and of honey. This drink was given to the diseased animal three times a day in doses of about a liter. This treatment has given good results when applied at the beginning of the disease and before its development.

COMMERCE.

The articles of commerce consist of tobacco, rice, corn, and, principally, of live stock.

The geographical situation of this subprovince and the topography of its soil make it naturally adapted to stock raising, and therefore this is the principal source of the wealth of the pueblos. According to the census of 1903, there were in this locality 14,409 head of large cattle, including carabao, bovine cattle, and horses. As shown by the data acquired on June 30 last, we have 23,500 head, so that there has been an increase of 9,091 head, an average of 63 per cent every five years, or an average annual increase of 12.6 per cent. Calculating at 5 per cent the reductions through sales, deaths from rinderpest, natural deaths, and animals slaughtered, there was an average annual increase of 17.6 per cent. Of the 23,500 head of stock 17,200 are branded and registered, and the remainder are not; some because they are at large among the mountains and in the woods, which makes it difficult to catch them even in the dry season, and others because they have not yet reached the required age. During the fiscal year 2,990 certificates of ownership and transfer were issued, corresponding to 1,259 horses, 1,075 carabao, and 656 cattle, valued at ₱143,890.50. Supposing that only one-half of the sum mentioned is obtained from sales, it follows that there have been sold 1,495 head of stock for ₱71,945.24, or at an average price of ₱48.12.

Tobacco is quoted at a fair price and the sales realized have been at ₱5 a quintal. A considerable demand was observed, judging from the competition among the dealers. Should this price continue, the tobacco of this harvest will produce a revenue of ₱22,500. Rice brought from ₱5 to ₱5.75 a cavan, and is to-day quoted at ₱6.75 a cavan. This is owing to the demand from the

pueblos of Ilocos Sur, particularly in the south thereof, which have had a very bad harvest. Palay sold at from ₱10 to ₱12 an uyon of 100 bundles, and is to-day quoted at from ₱20 to ₱22 an uyon. Corn, on the contrary, is quoted at ₱4 an uyon of 1,000 ears, while the price reached ₱5. This is owing to the fact that at the present time there is yet palay for sale. Abra sugar is only for domestic consumption, that produced by the townships situated east of the municipalities of Ilocos Sur being sold in pilones, while the bulk of it is converted into basl wine, panocha, and vinegar. Cacao was sold at ₱2.50 a ganta, or ₱62.50 a cavan. The other products are of little importance.

ECONOMIC CONDITIONS.

The financial condition of this subprovince is relatively good. The mercantile transactions resulting from the products of the last harvest, and especially from the sales of large cattle, rice (hulled and unhulled), tobacco, and corn, have unquestionably improved the financial condition of the pueblos. The money invested in public works, which has brought funds into the hands of the laboring class, has also influenced the situation.

FINANCES.

The sums appropriated by the municipalities and townships amounted to ₱47,865.35, of which ₱30,028.65 pertained to the 6 municipalities and ₱17,836.65 to the townships, as compared with ₱40,752.69 during the previous year, an increase of ₱7,112.60.

Of the said ₱47,865.35, there was allotted for school purposes ₱11,452.95, or 24 per cent; ₱4,988.95 for municipal works and improvements, or 11 per cent; ₱22,606.50 for expenses for personnel, or 46 per cent, and ₱8,756.95 for other accounts, or 19 per cent.

PUBLIC INSTRUCTION.

This subprovince has 60 primary schools, of which 18 are in the towns of the municipalities and townships and 42 in the barrios, attended by 4,219 children of both sexes. These municipalities and townships have 76 teachers, 60 of whom are male and 16 female. Of these, 28 male teachers and 13 female teachers are paid their salaries out of the municipal funds, and 32 male teachers and 3 female teachers are paid out of the insular funds. There is also the intermediate and high school, in Bangued, in which 247 youths are enrolled, and in the township of Lagangilang an industrial and agricultural school. There has been an increase of from 10 to 28 in the number of private schools in the pueblos and barrios.

INDUSTRY.

Of the few industries known, the most important is lumbering, and several concessionaries are engaged in the cutting of trees for lumber for the market. There is a considerable quantity and variety of classes of timber of those of the first group, which are of the most excellent quality for the construction of buildings and other purposes.

The hunting, fishing, weaving, cordage, and manufactured-tobacco industries are of but little importance. The manufacture of hats from textiles of the locality is very common, for it constitutes a household industry. Hats of different shapes and colors are made for men, women, and children at a reasonable price.

NATURAL WEALTH.

The entire subprovince is covered with a luxuriant and exuberant vegetation—a natural consequence of the fertility of its soil; and it has forests, mountains, and rivers of abundant flow.

The forestal wealth is the most important, and there exists a great variety of trees that can be lumbered. With regard to mineral, it is said there are deposits of gold in Mount Buyatan, of the settlement of Lacub, and two coal deposits, one in Bacococ, of the township of Lagangilang, and the other in Mount Tayab, of the municipal district of Bangued. Two deposits of gypsum are known, one in Paganao, of the township of Lagangilang, and the other in Mount Pangpang de Villavieja, municipality of Pilar. Of thermal springs, four are

known—one in Mapaso, of the township of Danglas; another in Mount Cacao, of the settlement of Salapadan; another in Mount Capanniquian de Villavieja, and another in Mount Posuey, near the township of Manabo. There exists a large variety of textile, resinous, tinctorial, and medicinal palms and plants.

NONCHRISTIAN TRIBES.

The non-Christian tribes are organized in accordance with the provisions of Act No. 1397, known as the "township government act." Last February, 5 townships were organized in Ilocos Sur and 1 in Abra, which, with the 8 old ones, makes a total of 14 townships. The organized townships number 17 and the unorganized 5. The number of inhabitants is as follows:

14 townships	20, 642
17 settlements	4, 674
5 settlements unorganized	2, 027
Total	27, 343

The organization of two more townships, with the approval of the secretary of the interior, one in the eastern part of the municipalities of Santa Lucia and Santa Cruz, of Ilocos Sur, and the other in Abra, has been proposed to the provincial board of Ilocos Sur.

The townships have 25 schools, with an attendance of 1,634 children of both sexes. These schools are provided with 10 teachers, whose salaries are paid out of the funds thereof, and 15 teachers paid out of the insular funds.

In the government of their respective municipalities the non-Christians show constant and progressive advancement. Their financial condition is satisfactory, and some of the townships have a considerable surplus, especially those of Lagafuglang, Manabo, and Peñarrubia.

POLITICAL CONDITIONS.

There are at present 6 municipalities organized according to the provisions of the municipal code, containing 36,946 inhabitants.

Public order.—There is absolutely complete peace and tranquillity. There have been 90 trials for violations of municipal ordinances in the 6 municipalities and 14 townships. In these trials 43 of the defendants were acquitted, 76 were sentenced to pay a fine, and 1 to imprisonment. The fines imposed amounted to ₱152.75, and those collected to ₱112.50. The number of arrests by the municipal police was 81.

CIVIL REGISTRY.

There were 2,131 births, 578 marriages, and 980 deaths, an increase as compared with the previous year of 276 and 189, respectively, of the first two and a decrease of 205 of the last.

PUBLIC HEALTH AND SANITATION.

The data above given relative to births, marriages, and deaths constitute the best proof of the good health enjoyed by the inhabitants of these pueblos.

The predominating diseases which have caused the most victims have been, among children, convulsions, and, among adults, intermittent and typhoid fevers. When the rainy season begins there generally occur a good many deaths from diarrhea and dysentery, especially among children, as a natural effect of the season through the abrupt change of temperature.

PUBLIC WORKS.

The municipalities have appropriated ₱4,988.95 for works and repairs, the most important of which have been the construction of the presidencia of the municipality of Dolores, the completion of the reconstruction of that of Bangued, and the repair of the streets and culverts.

The provincial board appropriated ₱27,000 for the construction of two iron bridges and one of masonry, the cost of which will amount to ₱14,000, and the ₱13,000 remaining will be invested in repairs to the roads from Bangued to the Nagtalabugan landing; from Bangued to Pidigan; from Bangued to Peñar-

rubia; from Bangued to Tayum; and from Tayum to Dolores. These works have already been begun, and it is hoped that they will be finished before next December. The iron bridges were ordered from the United States last February.

RECOMMENDATIONS.

With the creation of the Legislative Assembly, it is considered almost unnecessary to make any recommendation for legislation. However, I believe it my duty to commend to you a petition from the municipalities that an addition be made to section 40 of the municipal code empowering municipal councils to pass ordinances making it obligatory to fence in agricultural fields during the sowing season.

Respectfully submitted.

JOAQUIN ORTEGA,
Lieutenant-Governor, Subprovince of Abra, Ilocos Sur.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF ILOILO.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF ILOILO,
Iloilo, June 30, 1908.

SIR: I have the honor to submit herewith my report for the fiscal year ended June 30, 1908.

AGRICULTURE.

During the last year drought, locusts, hoppers, mice, and rinderpest have afflicted the province almost simultaneously. In July and August, when water was needed the most, the rain which fell was so insufficient that the rice could not be planted, and planting was delayed until September. When the fields were planted, in October, November, and December, swarms of locusts appeared, and after them came the hoppers, which played havoc with the rice and maize crops in the fields. At the same time as the locusts and hoppers, small mice, a little over 1 inch long, appeared and completed the scene of sadness and desolation in the fields. These mice are to be feared, much more so than the locusts and hoppers, because nothing is known at present that will keep them away. Ditches and bamboo fences are useless to check their invasions, especially because they do not leave their burrows until nighttime. A wire netting might keep these pests from the sown fields, but this would be very costly and out of the reach, if not of all, of the great majority of the farmers of this province.

Of all the pests known to-day the mice cause the greatest terror to the poor farmers, who fully realize that they are powerless to preserve their fields from the attacks of these small enemies. Poison was used for some time, but did not give good results, because a large quantity is needed for distribution over the vast fields.

The rinderpest is another scourge which is decimating our cattle and which can not be said to have yet disappeared, notwithstanding the efforts made by the bureau of agriculture. It is a pity now that the serums of the government give good results that they are not, owing to the lack of veterinary surgeons, diligently used.

A bureau which is called upon to improve the standards of agriculture and to preserve the work cattle from prevailing diseases should be furnished larger means to enable it to fulfill the purposes for which it was created. There were cases in this province where rinderpest invaded a cattle ranch and where it was possible, by inoculation with the government serums, to check the plague and to save at least some of the cattle attacked by rinderpest which were still alive when the veterinarian arrived.

As I have said, drought was one of the causes which contributed to the great loss in the crop of the present fiscal year. Rice is usually planted in June, July, and August, and in the year 1907 it rained so little during that epoch that it was not sufficient for the planting. For this reason a large part of the seed could not be transplanted until the month of September, and this delay naturally contributed much to the diminution of the harvest.

The present condition of the agriculturists urgently requires an efficient remedy, since when agriculture is in its apogee the province will doubtless be the same, and will then be able to collect the taxes and to undertake all the necessary public works.

I consider irrigation of capital importance to the province. We have already seen that by last year's drought the crops suffered a considerable loss, which might have been avoided had we had irrigation. No effort on the part of the government in behalf of agriculture could possibly be as valuable as an irrigation system in this province, which is now tributary to Saigon, from whence a large quantity of rice is imported for consumption, its value during the present fiscal year being ₱1,673,238.

Rice and maize.—Owing to the calamities above mentioned, the rice and maize crops have suffered a considerable loss, estimated at 30 per cent in the pueblos of the north and south of this province, and at 50 and 80 per cent in those of the center. The pueblos that have suffered the most and have therefore lost the most maize and rice are Santa Barbara, Janluay, Pototan, and Passi, which have vast rice lands and formerly produced enormous quantities of rice.

Tobacco.—Tobacco has also suffered. It seems as if heaven has been against the farmers, as when water was needed the most. In July and August, no rain fell, and where any fell it was so little that it was not sufficient for the planting of the rice. On the other hand, in November and December, when water was no longer needed, rain fell in abundance, and naturally caused great damage to the tobacco in the field, the loss suffered by the province from this cause having amounted to 30 per cent of the crop.

Sugar.—Little sugar is grown in the province in comparison with that of Occidental Negros, and its increase is not very perceptible. This is due to the farmers having to struggle with the cattle plague, which did not disappear from the province during this fiscal year, and to the fact that they have little capital and can not replace the cattle lost by rinderpest.

This year the price of the sugar improved to some extent during the last months of the harvest and resulted in some animation, and it is hoped that during the next fiscal year there will be a larger harvest than in this, as always happens in the years following one during which the prices have been reasonably high.

It can not be expected that this province will grow much sugar so long as the farmers are not sure of the future of that product, or, to express it in other terms, so long as they do not see a sure market with a remunerative price for it. The abolition of the Dingley tariff would be a great boon and would greatly contribute to the betterment of this branch of agriculture.

Sibucao.—Sibucao is one of the products grown mostly in the pueblos of the south. In view of the good price (₱1.30 per picul) which it reached last year, the precarious condition of the inhabitants of the municipalities of the south whose other products, such as rice, maize and sugar, had suffered considerable losses through the calamities already mentioned was somewhat relieved.

Cotton.—Cotton is grown in some of the municipalities of the south, but is not taken to the market, being used for textiles, of which the inhabitants manufacture very good ones. I suggested on my last visit that the plantations of cotton should be extended, and furnished the people with data as to the market and as to the price at which the cotton grown in said municipalities is purchased. I hope that it will be possible to encourage the planting of this staple.

This product, which has been relegated to the last place, so much so that it is grown only for the consumption of the inhabitants of each locality, is very important. The cotton is of very good quality, and I have sent a sample to the market, and to Messrs. Castle Bros. & Co., who have offered 7 centavos per pound for unginnet cotton. The only pueblo which is growing cotton now is that of Igaráas, now merged with the municipality of Guimbal, and the pueblo of Miagao, the seat of the municipality of the same name. I have no news of cotton being planted in any other pueblo than the two mentioned.

Abaca.—Two years ago the planting of this crop on a large scale commenced in the northwestern part of the pueblos bordering on the province of Capiz. A large area is now planted in abaca, and it is hoped that next year, or the year after next, a considerable quantity thereof will be ready for the market. In view of the enthusiasm with which the people are growing abaca on the land in the interior of this province, I believe that it will take its place

ahead of sugar among the principal products. There is land very suitable for abaca, and the people have been able to cultivate it owing to the public tranquillity, this having been impossible in previous years when the people, because of fear of brigands, could not take their carabaos there.

Cacao.—A considerable amount of cacao is grown, but rather for local use than for exportation. This tree is grown in nearly all the pueblos, though on a small scale, usually for the consumption of the family or of the pueblo where it is grown.

Coffee.—Coffee also is grown for local consumption only, and not even sufficient for that, as the coffee produced in the interior of the province does not often reach Iloilo, being consumed by the pueblos in which the plantations are located.

On my last tours of inspection I saw land well suited to coffee and cacao, and if the cultivation thereof does not become general it will be due to lack of capital, since it is necessary to wait a few years before being able to gather crops therefrom.

Copra.—Copra is also produced, but not on a large scale. I have suggested to the pueblos on the coast the planting of a large area of land in cocoanuts, it being the crop which now gives better results than any other because of the little care which it requires, and also because, once grown, it assures the future of the owner of the land. There are vast tracts of hilly land in the pueblos of the south which are close to the sea and are not cultivated and which are not used except for an occasional plantation of maize of little importance.

Some animation is apparent in those pueblos since I explained to them the great advantages of the copra business, and who knows whether some years from now all this land, or a large part of it, will not be covered with coconut trees, the people being convinced that in view of the present condition of agriculture in the Philippine Islands the cultivation of the cocoanut is better than any other. I made similar suggestions to all the other pueblos of the province, calling the attention of the people to the great profits gained in the cultivation of the cocoanut, and I shall not cease in my endeavors to have large plantations of cocoanut trees set out on all the land suited to this crop. I am convinced that with some slight effort on the part of all the pueblos they will be successful in extending the cultivation of the cocoanut to the numberless hills scattered through the interior which are not cultivated owing to the lack of cattle.

Other products.—There are other products the cultivation of which can be fostered. I refer to the dul-dul and tangantangan. The dul-dul or kapoc (tree cotton) can be planted easily without need of any care. There is a sufficient quantity, but no attention is paid to it, and if used at all, it is only locally.

On my visits to the pueblos I suggested that this crop would give good results and bring good profits to the farmers, as no carabaos are needed in its raising. I have furnished them with information regarding the prices paid, as they did not know that this article is bought on a large scale. The firm of Castle Bros. & Co. offers ₱7 for each picul of unginned kapok, a price which is not remunerative, but comparatively better than the prices offered for the other products of this province, considering the fact that kapok does not require as much care as sugar cane and tobacco.

The tangantangan is a crop that could also be easily fostered, but the difficulty is that there is no market therefor. Upon my suggestion one firm only, the Philippine Products Company, of Manila, offered to buy, by way of experiment, at the rate of ₱3 per quintal, but I did not deem this price remunerative for the present.

It is said that the tangantangan is the plant from which castor oil is extracted. If this is true, I have great hopes for the future of this crop, as it can be grown easily in the province.

COMMERCE.

General.—During the present fiscal year there has been more movement in the commerce of Iloilo, especially during the last few months, when the price of sugar went up to ₱5.375 for assorted, which would be ₱5.75 for No. 1, a price which has not been reached since the fiscal year 1905.

The following tables show the importations and exportations at the port of Iloilo:^a

^a The detailed tables have been omitted and filed in the Bureau of Insular Affairs, War Department.

During the fiscal year 1908 there were imported 118,252 kilos of sugar, valued at ₱14,574, and 23,578,621 kilos of rice, valued at ₱1,673,238.

SUGAR EXPORTS.

Fiscal year 1908.	China.		Japan.	
	Kilos.	Value.	Kilos.	Value.
Total.....	43,079,191	₱2,976,152	4,807,192	₱274,455

Fiscal year 1908.	India.		United States.		Great Britain.	
	Kilos.	Value.	Kilos.	Value.	Kilos.	Value.
Total.....	282,199	₱11,600	49,497,684	₱4,077,889	10,610,095	₱898,400

OTHER EXPORTS.

Fiscal year 1908.	Sibucan exported.		Miscellaneous exports	
	Kilos.	Value.	Kilos.	Value.
Total.....	2,911,126	₱66,786	71,018	₱10,161

During the fiscal year 1908 there was received from the island of Negros 86,864,147 kilos of sugar.

In consequence of the increase in commercial movement the Iloilo custom-house collected ₱1,391,303.38 in duties during the past fiscal year, as compared with ₱1,192,031.71 so collected during the fiscal year 1907.^a

A few months after taking charge of the government of the province I began to try, with the principal officials thereof, and with the provincial board, to convince the superior authorities of the necessity of taking up as soon as possible the work of the reconstruction and improvement of the port of Iloilo.

The railroad.—The opening of the railroad line as far as Pototan has contributed much to the commerce of Iloilo. This increased commercial movement was most notable in January, February, March, and April, the harvest months, when business is usually the liveliest, and was due to the facility with which the inhabitants of the pueblos of the interior were able to come to the capital and return to their pueblos on the same day.

This will increase when the railroad line is opened as far as Passi, as it will pass through several pueblos of the interior, from which Iloilo will receive a large contingent of passengers and products, and I am confident that in the end Iloilo, with the good means of communication now being constructed with great activity, will become an important Philippine city.

Breakwater.—However, in order that these aspirations may be crowned with success, it will be necessary to make great improvements in the town of Iloilo. One of the important improvements, aside from that of the port already mentioned, which will doubtless contribute not only to the embellishment of the city, but also to its aggrandizement as a commercial center, is the construction of a south breakwater protecting the town from the inroads of the sea. It has been observed for several years that a large tract of land has been eaten away by the sea to such an extent that during the southwest monsoon the water of the sea comes within a few meters of the plaza. This is of great importance—second, perhaps, only to the improvements of the port—as the extension of the town is necessary, owing to the increase in its population.

This work must not be undertaken on a large scale, and it will be sufficient to build it 200 or 300 meters from the shore, at which distance there is only 14

^a A statement showing such receipts by months has been omitted and is on file in the Bureau of Insular Affairs.

meters of water at low tide, except along a short stretch near Fort San Pedro, where the depth is ordinary.

Some time may elapse before the work of building a breakwater along the south water front from Fort San Pedro to Molo can be undertaken, but I am confident that some day the attention of the insular government will be called to that improvement as being of the greatest necessity for protecting Iloilo from the destruction caused by the furious waves.

FINANCIAL AND ECONOMIC CONDITION.

General.—The financial condition of the province of Iloilo during the present fiscal year is shown in the following statement of its receipts and disbursements.^a

The province has 50 miles of road which can be considered first class and are subject to the road regulations prescribed by the bureau of public works.

To render it easy for the municipalities to handle their funds, in view of the fact that the province collects 1 peso of the cedula tax for the public works and also receives from the insular government a subsidy from the funds appropriated annually for public works, we have defined the local and the provincial roads and have charged the municipalities with the repair of the purely local roads, leaving to the province all provincial roads.

This arrangement has been made with the municipal presidents, and under it the municipalities have a little more freedom in the management of their funds and are better able to take care of the limited number of local roads and bridges.

I suggested this idea, which was accepted by my colleagues of the provincial board, in order to give each municipality an opportunity to improve its población, since on the occasion of my last visit to all of the pueblos of this province I saw the necessity of undertaking great improvements in all the municipalities and their suburbs.

There has been a misunderstanding regarding the management of the funds on the part of several municipalities, as they have been reserving funds for the repair of the roads and bridges most used by them, especially those connecting them with the consolidated pueblos, and I have endeavored to make a distinction, leaving to them all purely local roads, and to the provincial board the repair and construction of the roads and bridges outside of the inhabited parts.

Very few municipalities have sufficient funds to undertake great improvements, and nearly all are without a town hall and good schoolhouse, and not one, including the municipality of Iloilo, has a market.

Active and intelligent work is necessary to guide the municipal administration into the proper channels, as there seems to be much neglect on the part of the municipal officers in the matter of public improvements.

I have been fighting this neglect of the municipal officers, and I hope that I shall in the end succeed in convincing them, and particularly the presidents, that it is their duty to work for the public improvements. This is a question I consider easily disposed of if one knows how to come to an understanding with the municipal officers. There is one difficulty, however, which will prove a hindrance, and this is the lack of funds.

As I have said, many municipalities have not sufficient funds to build town halls, markets, and schoolhouses, and I have thought, and my colleagues of the provincial board agree with me, of assisting some municipalities as much as possible in the erection of a decent town hall and a market, especially of the latter, which is one of the principal sources of revenue of a municipality.

We have four municipalities deriving considerable revenues from their markets, and aside from the municipality of Iloilo, whose market brings in over ₱1,000 per month, we have Jaro, Oton, Santa Barbara, and Cabatuan, which collect not less than ₱500 per month from their markets, all of which are of "light materials" (bamboo and nipa). I believe that with some slight assistance from the insular government, in the shape of a loan, these municipalities could increase the revenue from the markets.

I have given special attention to the municipal administration because I have seen that in many pueblos the officers are lacking in initiative, not due especially to negligence, but to fear of touching the municipal funds. I have therefore made them understand, on the occasion of my last visit, that good municipal

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

pal government consists not in accumulating much money in the treasury, but in having good public works, good buildings, and good roads and bridges.

The province is also much in need of great public improvements, which, I regret to say, are not carried on with the activity desired, and I should like to see the bureau of public works direct that those we are commencing or shall soon commence be carried on more actively.

The provincial board encounters great difficulties in carrying on the public improvements, as it is completely under the domination of the bureau of public works, the approval of which is necessary whenever the cost of the work exceeds ₱1,000. I think that such may be necessary with regard to work requiring technical knowledge, but where roads are concerned, for the construction of which technical knowledge is not required, I believe it to be anomalous that the provincial board can not attend to their repair and reconstruction without having the projects approved by the district engineer.

I do not favor the idea of eliminating the engineer of the district of Iloilo; but, on the contrary, am of the opinion that, in view of the importance of the province of Iloilo, there should be a special engineer here to take charge of the public works of this province exclusively. In accordance with my convictions, I suggest that the provincial board be allowed full liberty of action in the construction and repair of its roads, leaving to the direction of the engineer all the work requiring technical knowledge, such as bridges and buildings, to the end that said engineer advise us where we need his advice, but not as at present, which does not allow of our spending any money without the approval of the district engineer.

Another cause of delay in the erection of buildings is the slowness in furnishing us with the plans requested, as is the case with the plans for the girls' dormitory, which we have not yet been able to build, owing to the want of the plans, which we requested from Manila approximately 5 months ago.

Telephone.—Fortunately, we have at least succeeded in having a telephone system established in the province at the expense thereof and of the municipalities interested. This is a much-felt necessity, which I have urgently requested in order to enable me to communicate with the municipalities with promptness and to give the necessary orders in cases of emergency. The line is now being built, and I hope to be able within a few months to communicate by telephone with all the municipalities of the province.

Cedulas.—Owing to the activity displayed by all the officers, municipal as well as provincial, the number of cedulas issued this year, notwithstanding the fact that the cedula tax has been doubled, exceeds that of last year by 6,152, representing ₱12,304.

PUBLIC INSTRUCTION.

For reasons I can not explain, there has been a decrease in the enthusiasm for public instruction on the part of the pueblos during the present fiscal year. At the beginning of the school year there was a matriculation of 23,061, but the average daily attendance of the primary, intermediate, and secondary schools was only 11,503.

The following table will give an idea of the number of pupils in each municipality, the average monthly matriculation, and the daily attendance of the primary, intermediate, and secondary schools: ^a

Recapitulation.

Schools.	Annual matriculation.	Average monthly matriculation.	Average attendance.	Percentage of attendance.	Number of schools.
Secondary.....	84	72	66	96	1
Intermediate.....	1,886	1,059	975	91	11
Primary.....	21,591	13,108	10,462	82	151
Total.....	23,061	14,239	11,503	90	163

^a The detailed tables have been omitted and are on file in the Bureau of Insular Affairs, War Department. The recapitulation only is given.

At the beginning of the school year ended March, 1908, the municipalities rendered much assistance to the department by donating money or material or constructing buildings.

The following statement shows the contributions made by the pueblos to the department of public instruction for the benefit of the schools.*

Aside from the voluntary donations, the municipalities contributed to the school funds from their general funds ₱18,750.95, which were distributed as follows:

Arevalo	₱82.78
Balasan	820.00
Banate	520.60
Rarotac Nuevo	100.00
Buenavista	1,144.09
Iloilo	8,383.48
Janluay	900.00
Passi	1,600.00
Pototan	500.00
Sara	1,000.00
Santa Barbara	3,700.00
Total	18,750.95

Notwithstanding these efforts by the pueblos, we find it impossible to educate all the children of school age in this province.

In consequence of my last visit to the pueblos, where I took up the question of education very carefully with the municipal officers, I have received several requests for school-teachers.

Many children are not receiving an education, and I believe that in this respect the province of Iloilo has received less attention in the distribution of funds than the other provinces of the archipelago. For this reason its schools have been maintained mainly at the expense of its public improvements, a large amount of its funds having been transferred to the school funds for this purpose.

The suspension of the collection of the land tax was another cause of the decrease in the school funds, and of the great difficulty experienced by the provincial board in securing such funds. I do not know whether it will be possible to reestablish the land tax, or at least the part belonging to the schools, for next year. I believe it will be, but can not now say whether or not the provincial board will determine to reestablish the land tax in the form mentioned. I understand, of course, that this tax is burdensome, in view of the fact that the cedula tax has been doubled; but I also understand the necessity of reestablishing this part of the land tax in order to enable us extend the school system to the barrios, which are in urgent need of schools.

Iloilo is making great efforts in all branches of administration, and I believe that it deserves aid from the insular government in the maintenance of public instruction, as its funds are too exhausted to support the same in a creditable manner.

There are barrios which can guarantee a daily attendance of 60 children, yet have no school-teachers, and none can be sent to them, because there are no funds wherewith to pay them. Other more important barrios, such as the islands belonging to the municipalities of Sara and Balasan, which are separated from Panay by the sea, are in urgent need of schools, it being impossible for the children of those islands, which form populous barrios of the municipalities of Sara and Balasan, to attend school on the island of Panay. Nevertheless they are also without schools at present, because the bureau of education finds it impossible to furnish teachers, owing to lack of funds.

I have always given much attention to the question of education, and have always endeavored to make myself familiar with the most minute details of its direction, so as to be able to aid the bureau as much as possible.

As soon as the plans requested are ready we will construct a girls' dormitory, the necessity of which has been felt for some time.

We have in our budget appropriations for the construction of annexes to the school of arts and trades and for the improvement of the high school by the addition of rooms.

* Omitted and filed in the Bureau of Insular Affairs, War Department.

A short time ago we succeeded in having the school of agriculture separated from the school of arts and trades and established at Passi, which, although some 35 miles distant from Iloilo, we consider a very suitable place for it, because of the condition of its lands. Moreover, this distance will not be any detriment to the development of the school, as within a short time the railroad line will run there.

I am convinced that this school of agriculture, under suitable direction, will give better results than that established at present at Iloilo, the existence of which does not even seem to be known.

I understand that many residents of Passi are ready to donate to the province suitable land for the establishment of the school of agriculture, as they realize that it will be of great benefit to the province, and particularly to that municipality, and therefore have not hesitated in making such donation.

The inhabitants of the barrios interested in having schools are ready to furnish buildings, provided the government will guarantee the presence of a teacher.

I believe that if the number of teachers in this province should be increased by 20 insular teachers, even if these were all Filipinos; a rearrangement could be made of the money paid out for the salaries of many now stationed in the pueblos by increasing the number of primary teachers which are needed for the barrio schools, and by eliminating some of those now employed and replacing a certain number of them with an insular teacher.

INDUSTRIES AND MANUFACTURES.

Sinamay.—For some time past the sinamay industry, which is one of the most important, has suffered a decline, due, perhaps, to nothing but the economic crisis caused by the present poor condition of farming and business in this province, and principally in the provinces of the island of Luzon. However, this industry is doing its best to prevent its complete disappearance, and although the transactions are not so important as they were four or five years ago, yet its sales still bring large sums of money, the principal market being the municipality of Jaro.

There is hope of an improvement of this industry. Several young Filipinos are studying industrial engineering abroad and in America, and I have no doubt but that with the instruction received in the weaving industry they will be able to improve the present method of manufacturing the sinamay exported from Iloilo.

Salt.—There are in the province four salt works, of brick and cement, which are producing a considerable quantity of salt and have caused a decrease in the importation of this article from China. Aside from these four establishments, which we can call salt factories, there are numerous salt pits in the pueblos of the south of this province, where obsolete methods are used for making this article by means of the *caña espina*, but which produce a considerable quantity of it, so that the pueblos where these salt pits are established do not buy salt from elsewhere.

Lime.—There are many limekilns, the majority on the island of Guimaras, which furnish lime to the entire province of Iloilo and to many of the pueblos of Occidental Negros.

The method followed is the old one of burning the stone in the kiln for a certain number of hours, and in this way good lime is obtained, which is used by the planters in the manufacture of sugar and by the pueblo in the construction of buildings.

Bricks.—There are at present two brickyards situated in the municipality of Iloilo, which supply the entire province and the province of Occidental Negros, and seem to be a good source of revenue to their proprietors. It may be said that none of the bricks used in the province of Iloilo are imported, and that all come from the two brickyards mentioned.

Soap.—We also have three soap factories, whose output is sold principally in the municipality of Iloilo and the several markets of the province.

There are no other industries worthy of mention.

NATURAL WEALTH.

Timber.—Lumber business is declining. A few years ago the district of Concepcion, which is now the municipality of San and of Bulawan, supplied Iloilo principally with lumber of the first group, but at present not much of this lumber can be left in said municipalities, as shipments of it to Iloilo are rarely made.

Aside from the municipalities of Sara and Balasan there is no other region where timber is cut for the market, except for local use in some of the pueblos of the interior which are near the mountains.

There is considerable timber in the mountains bordering on Capiz, but in view of the great difficulty of taking it to the Iloilo market, owing to the want of adequate means of transportation, it is not brought here. Concepción, now the municipalities of Sara and Balasan, has the advantage of having the sea, and its timber can easily be taken to the Iloilo market.

Mines.—There are no mines or sources of natural wealth other than those above mentioned.

NONCHRISTIAN TRIBES.

Several non-Christian tribes exist in the mountains, but they are usually peaceable people, engaged in growing rice and corn, their principal foodstuffs.

Efforts have been made for some time past to attract these people toward the settled parts, but it seems that all has been in vain, as they prefer living in the fastnesses of the mountains. They are wont to come occasionally to the markets of Janiway, Calinog, and Passi, which are the pueblos at the foot of the mountains separating this province from Capiz and Antique, but only to sell their products, such as abaca, corn, and rice, and to buy articles needed by them, such as cloth.

I am working to group them together in a barrio in the municipality of Passi, somewhat distant from the settled parts, because it seems that they do not wish to be in constant contact with the plains people. My idea is to gather them together in this barrio and to allow them to have their own market and cockpit, as they are much addicted to cockfighting, and subsequently to establish a school for their children. This idea, if carried out, will mean a great stride forward in the civilization of these people, but it is a difficult task, requiring time, tact, and patience.

POLITICAL CONDITIONS.

Elections.—Political conditions were quite serious in the province during the first half of the present fiscal year because of the electoral contest between the partisans of the several candidates for delegate to the Assembly, and subsequently between the several candidates for governor and for municipal positions.

As you know, the election for delegates took place on July 30, 1907, and on November 5 of the same year the provincial and municipal elections were held.

The result of the elections for delegates was as follows:^a

The contest that was the most bitter and almost degenerated into personal strife was that between the partisans of the late Governor Lopez and those of Señor Francisco Jalandoni, who was a candidate for governor against Governor Lopez, who ran for reelection, and Señor Manuel Loosin.

Death of Governor Lopez.—Shortly after the provincial and municipal elections, on December 27, 1907, Governor Lopez, while in his office, was shot by Joaquin Gill, and died from wounds then inflicted.

Gill was apprehended and tried, and in sentencing him the judge stated that the cause of the murder was political and an outcome of the last provincial election.

Public order.—With exception of the murder of Governor Lopez, which was condemned by the entire province, complete tranquillity reigned in this province. The bands of robbers, armed with good rifles, who had been the terror of the inhabitants of the interior of the province, have disappeared.

Constabulary.—The constabulary has contributed much to the pacification of this province, as owing to the good relations existing between the provincial authorities and the officers of that body it has been possible to accomplish much in the direction of peace and tranquillity.

Police.—The municipal police, notwithstanding its present deficient organization, is another factor which has contributed to this great work of tranquilization.

I have thought of removing the municipal police to some extent from the control of the council, in order to properly organize it, and of submitting municipal police regulations to the municipal councils for adoption by them. I do not desire to begin the reorganization of the municipal police until I know

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

that the action suggested in the regulations mentioned have been adopted and approved by the municipal councils of the province.

Telephones.—During the past months I requested the establishment of telephones in the several pueblos of this province, and it has at last been determined that they will be installed at the expense of the province and of the municipalities interested. This is very important, as they will enable the governor and the provincial board to communicate frequently with the several municipalities and to make suitable suggestions for the betterment of the towns. Besides, the establishment of this telephone system will be an efficient means of preventing attacks by brigands, as assistance will come more promptly and time will be gained for the pursuit of criminals.

Property in litigation.—When I took charge I found a letter from you, dated January 16, 1908, saying that there were rumors of the threatened destruction of churches and parish houses in several of the municipalities. I therefore proceeded to investigate, and as a result reported these rumors unfounded, although it was true that in some municipalities there were disputes between the municipal and ecclesiastical authorities regarding the ownership of certain buildings and land, but none of them resulted in threats.

I have always held that the disagreement between some municipal councils and the representatives of the province relative to their property in dispute is not so serious as to give rise to the fear that the relations between the same might be rendered disagreeable and vexatious; on the contrary, these bodies have always endeavored not to give offense. All the municipalities have assured me that this is the true state of affairs, and I can assure you that I am convinced that it is so, and that I shall take great care that there shall not be the slightest attempt on the part of these organizations or anyone else to disturb the other in the possession of what he considers his lawful property.

The religious question has calmed down considerably, and I may say that the only pueblo where it is somewhat latent is Sara, where the great majority of the leading residents belongs to Aglipay's sect; but in the others the Aglipay movement does not exist, or, if there is an Aglipayan curate, he does not cause any trouble.

I hope to arrange matters in Sara more satisfactorily, so as to straighten out matters and to avoid a future repetition of these rivalries, which redound to the prejudice of the pueblo. The settlement of the litigation regarding ecclesiastical property pending between the Roman Catholic Church and the partisans of Aglipay has contributed much toward quieting the excitement among the people. There was no difficulty in effecting the surrender of the property to the Roman Catholic Apostolic Church.

SANITATION AND PUBLIC HEALTH.

General condition.—The sanitary condition has not been at all satisfactory, as malaria has been carrying off the people of the interior, and has occasioned an annual mortality of 5 per cent, notwithstanding the efforts made by the health authorities to combat the disease by the distribution of a large quantity of medicine in the several pueblos.

Notwithstanding this, the population of Iloilo has increased nearly 2 per cent.

Water supply.—The bad quality of the water in nearly all the pueblos affects the public health, as the inhabitants thereof generally take their drinking water from open wells in the vicinity of the houses, while other pueblos get water for drinking and other uses from wells sunk on the banks of the rivers, which are usually covered by water in the rainy season, when the rivers swell.

Iloilo is one of the municipalities having bad water, and the wealthy people there gather the rain water and use it for drinking and other purposes.

In view of this condition of the water, cholera, when there is an epidemic, generally causes great havoc among the poor people, who can not get good water. We have repeatedly suggested that a goodly number of artesian wells should be sunk, at least one or two in each pueblo, as this is a much felt necessity, especially so as at present the cholera has assumed an almost endemic character in the Philippine Islands.

The existence of cholera in the Philippine Islands is a constant menace to public health. It can decimate the population without the people being able to protect themselves properly, in view of the bad condition of the water used in many of the pueblos, especially in those of the interior, where they take water for drinking purposes out of the same river in which they wash their clothes themselves.

Lepers.—The province is nearly cleared of lepers. During this fiscal year 21 were sent to Cullon, and 5 remain to be sent, and it is believed that there still are in the interior 5 others who have not yet been taken, but who will soon be brought to the capital for embarkation.

Respectfully submitted.

RUPERTO MONTINOLA,
Governor of the Province of Iloilo.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF ISABELA.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF ISABELA,
Ilagan, July 8, 1908.

SIR: I have the honor to transmit herewith my report for the fiscal year ended June 30, 1908.

The province is divided into the following 10 municipalities: Cabagan Nuevo, Cauayan, Echague, Gamu, Ilagan, Naguilan, Palanan, Santa Maria, Tagle, and Tumauini, all organized under the provisions of Act No. 82; 3 of them, Cabagan Nuevo, Echague, and Ilagan, being third-class municipalities and the others fourth class. Each and all are working for their progress and improvement.

AGRICULTURE.

In view of the abundant sediment left on the fields by the floods of November, 1906, and of the good price secured during the last harvest season, the tobacco growers were so much encouraged to plant this crop that information personally obtained by me on my visits to the barrios of the pueblos showed that there was no tobacco field which was not planted. At the transplanting season a crop was prophesied of thrice the amount of that of the year 1907, but unfortunately a dry spell from February to April, after the transplanting of the young tobacco, caused many of the plants to wither and others to stop developing to such an extent that there were moments when the planters despaired of getting a crop equal to last year's. In spite of the dry spell and of the appearance of worms, a crop of tobacco was harvested double that of 1907 and superior in quality to the latter in some of the barrios of the southern pueblos, from Ilagan to Echague. In view of the shortness of the tobacco crop last year, the prices increased and a considerable amount of money was received, and I believe that this year an equal amount will result, as the crop has been doubled.

The corn crop has diminished considerably, as nearly all the planters, encouraged by the increase in the prices of tobacco, planted the latter crop in preference to the former. At present, however, all are planting corn, and there are many who will soon harvest much of this staple.

The rice crop has not been good, neither was the last corn crop, because of the drought, but a great deal has been done for rice, which is now almost general in the province, and planters are preparing their fields for the transplanting of the rice from the seeding plots when the rains begin.

Some sugar cane, beans, and camote, gabe, and other tubers have also been grown, but all on a small scale and for the exclusive consumption of the persons who planted them.

The crops of cacao and coffee are being increased, and, judging from the number of plantations, will within a few years constitute commercial products.

COMMERCE.

Commerce is never better than at the time of the sale of the tobacco, when all business transactions are more or less profitable. Notwithstanding this, I can say that during the past year commerce has not had so much cause for complaint as during previous years, as the last tobacco crop has sold well, the money received in the province from the sale of tobacco having approximated ₱1,800,000, a large portion of which went to merchants. The present condition of commerce is fair, but an improvement is expected with the prospective sale of the tobacco. Rice, an article of prime necessity, alone continues to command

a high price; a cavan of white rice (fish brand) sells at from ₱8.50 to ₱10, Saigon rice at from ₱9.50 to ₱11, and red rice at from ₱6.50 to ₱7.50. The other products, though their prices are more or less high, bring almost no revenue, because there is little demand.

INDUSTRIES AND MANUFACTURES.

Chairs of rattan, bamboo and rattan, and wood and rattan have been manufactured for the past three years in the municipalities of Cabagan Nuevo, Santa Maria, and Tagle.

Until last year there were several cigar factories which used the good tobacco leaves of the best plantations and netted good profits for their owners, but since January, 1908, all have shut down, as the new orders and regulations issued by the collector of internal revenue greatly affected the small manufacturers, and therefore benefited the large factories.

NATURAL RESOURCES.

There are numerous forests still unexploited. These forests are rich in all sorts of timber, from the first down to the last group. There is also a great abundance of rattan, bamboo (caña bojo and several kinds of caña espina), and resin. With the exception of the latter all these forestry products are used by the inhabitants either for building purposes or for commercial uses. The forests of San Mariano, commonly known as the Catalanganes woods, are the best worked, and a large number of concessionaries are engaged in these woods in cutting timber, bamboo, and rattan for commercial purposes. They transport these products to Ilagan or to other pueblos of the north of the province, or to Tuguegarao, the capital of the province of Cagayan. At the latter place they sell the timber of the first group for ₱1.20 per cubic foot; the raft of bamboo (caña bojo), made up of 300 poles, at ₱20, and the rattan at ₱1.50 per 100.

The lumber business is very much undeveloped, as none of the merchants holding timber licenses has a sawmill and all timber is sawn by hand and the logs hauled by carabao to the river to be made into rafts. Wages of laborers and the cost of river transportation are high, and in consequence there is not much profit in the business.

There are gypsum deposits, but up to the present nobody has thought of developing them.

No other minerals are known and no mining claims have been registered.

PUBLIC INSTRUCTION.

At Ilagan, the capital of the province, there is a provincial school, managed by American teachers, which was recently constructed and opened last November. It is attended daily by about 100 young men and women, some of whom are enrolled in the higher grades of the intermediate and others in the lower grades of the secondary school. An industrial school is to be erected on the same lot at a probable cost of ₱5,000, of which ₱4,000 was donated by the secretary of public instruction. This donation was conditioned upon my promise to furnish ₱1,000, which has been raised by voluntary subscription on the part of the residents.

There are also 56 municipal schools distributed among the various municipalities, according to the importance and needs of each, which are in charge of 89 Filipino teachers of both sexes and are divided into 4 districts, each in charge of an American teacher as supervisor.

During the last fiscal year 5 municipal schoolhouses have been constructed in several barrios of the municipalities of Echague, Tagle, and Ilagan. A frame schoolhouse has been erected in the non-Christian tribe settlement of Mayoyao, where an American teacher is stationed. Another school has been built in the Kalinga settlement of Dalena, in the municipality of Cabagan Nuevo, which is under the charge of a Filipino teacher. A schoolhouse is in the course of construction in the Kalinga settlement of San Mariano, in the municipality of Ilagan. In the latter settlement there is a provisional school in a private house, offered gratuitously by a resident thereof, which is to serve until the completion of the schoolhouse which the inhabitants of the settlement have offered to build gratuitously.

In addition to the provincial school there is a normal school at Ilagan, which opens the first day of November and closes at the end of December of each

year, and in each of the municipalities of Cabagan Nuevo and Echague there is an intermediate school, which enables the young people thereof who have not enough money for their maintenance at Ilagan to continue their studies in their own pueblo.

The above proves that public instruction has made considerable progress during this fiscal year, and this is corroborated by the following table:

	Fiscal year—	
	1907.	1908.
Enrollment.....boys..	5,071	4,187
Average attendance.....do..	2,559	2,765
Number of schoolhouses.....do..	51	58
Number of teachers.....do..	80	90
American teachers.....do..	9	11
Filipino teachers.....do..	71	89

ECONOMIC AND FINANCIAL CONDITION.

The principal source of wealth is agriculture, and though it is true that the tobacco is already harvested and the planting of the corn almost completed, yet the rice crop is not yet entirely planted, and the economic condition of this province would be truly alarming if the rinderpest, which came from Nueva Vizcaya and is now working havoc among the carabaos in the municipality of Echague and causing despair in the province, were to continue its ravages and deprive us of the few animals that remain to us for the cultivation of tobacco.

As to finances, the condition of this province was very critical during the last fiscal year, so much so that the provincial board was compelled to pass a resolution authorizing the provincial treasurer to use the funds on hand not necessary for making payments during the months of December, 1907, and January, 1908, for paying the salaries of the provincial officers and employees for November and December, 1907, keeping the pay rolls as cash on hand until the payments thus made would be straightened out.

The following table shows the disposition of funds and condition of municipalities during the fiscal year 1908:^a

A comparison of the transactions of this fiscal year with those of the year 1907 shows that, while there was no notable increase in the general funds, the economic situation of the province has improved.

	General.		Road and bridge.	
	1907.	1908.	1907.	1908.
Balance July 1.....	P8,596.66	P1,780.82	P6,324.19	P2,770.29
Receipts during the year.....	27,507.07	27,749.27	2,689.44	25,741.84
Total.....	36,103.73	29,529.59	9,013.63	28,511.63
Disbursements during the year.....	84,323.41	23,019.63	6,243.84	3,557.46
Balance.....	1,780.82	6,510.06	2,770.29	24,954.17

If we take into consideration the facts that there are scarcely any outstanding accounts and that the collection of the land tax for 1908 has hardly begun, it is evident that financially the province has already emerged from that bitter period of penury through which it had to pass during the last months of 1907.

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

In order to show that crisis by means of the clear evidence of figures, we give the following recapitulation of the movement of funds:

	General funds.
Balance October 1, 1907.....	₱390.71
Receipts during the month.....	2,148.62
Total	2,479.33
Disbursements during the month.....	1,277.66
Balance November 1, 1907.....	1,201.67
Receipts during the month.....	548.71
Total	1,545.88
Disbursements during the month.....	1,297.22
Balance December 1, 1907.....	248.16
Receipts during the month.....	179.33
Total	427.49
Disbursements during the month.....	289.32
Balance January 1, 1908.....	138.17

The salaries of the provincial and municipal officers and employees for November and December were paid out of the road and bridge funds, and were shown not among the disbursements of the proper months, but under the month of January. Even in January it was necessary to collect from the municipalities the first receipts from the sale of cedulas for 1908 in order to have funds available for at least the most necessary expenditures.

Only by dint of great economies was it possible to recover from that crisis, and the extent thereof is shown by the following comparative statement of the expenditures during the fiscal years of 1907 and 1908:

	General funds.	
	1907.	1908. .
Salaries.....	₱18,839.14	₱16,062.99
Traveling expenses and per diems.....	2,902.84	1,464.88
Sheriff fees.....	934.78	
Court fees.....	4,221.85	176.00
Office supplies.....	1,228.68	765.97
Postage and telegrams.....	650.00	850.00
Premium on bonds.....	556.09	152.83
Buildings, rent of.....	1,036.83	900.00
Maintenance of prisoners.....	1,574.62	1,354.62
Permanent equipment.....	1,538.06	51.01
Purchase of land.....		480.90
Alteration, repair, and maintenance of buildings.....	364.05	5.45
Miscellaneous.....	476.47	569.88
Transferred to school funds.....		165.00
Total.....	34,323.41	23,019.53

* Including ₱1,907.09 paid to the bureau of health for the salary of the district health officer, from January 1 to June 30, 1907, ₱1,200, and from July 1 to December 31, 1907, ₱797.09.

If one scrutinizes the balance for 1908, a considerable balance in the road and bridge funds which has not been used for improvements is evident, as apparently demonstrated by the few disbursements reported; but a closer examination thereof shows it to be fictitious, the explanation being that the bulk of the receipts of this year were during the last few months, and that a large portion of this balance, though it appears as unexpended, has been appropriated for the construction of several bridges between Cordon, Echague, and Cauayan, for which contracts have already been signed.

ROADS AND BRIDGES.

Owing to the scarcity of provincial funds, and especially of the road and bridge funds, it was almost absolutely impossible to do any work on provincial roads and bridges until the month of April of the present year. Nevertheless, the Tagaran bridge, some 70 feet long, was built in the municipality of Cauayan, of lumber of the first group and with a roof of corrugated iron, and bridges were constructed at Anguapan, in Tumauiui; at Canaran, in Gamu; at Alicuman, in Cabagan Nuevo; and at Upi, in Ilagan. To remedy the situation the provincial board adopted Act No. 1652, which provides for the double cedula. The collection of this tax began on January 1 of the present year.

With the receipts from the double cedula and the share of the refund of the internal-revenue collections set aside for roads and bridges, the provincial board resolved to begin improving and constructing roads and bridges, adopting the plan of beginning with Cordon, and of continuing the work as far as the municipality of Cauayan. The road work commenced at Cordon on May 5 last, and a contract was signed for five bridges of timber of the first group, with cement supports and roofs of galvanized iron.

The following table shows the number of bridges in the course of construction and the work done on the Carig-Cordon road:^a

All of the work mentioned is being executed under the direction and supervision of the district engineer.

On the wagon road from Ilagan to San Antonio, the hacienda of the Compañía General de Tabacos de Filipinas, and on the road to the pueblo of Palanan, there are now being constructed the Granja Bridge and three culverts, and on the provincial wagon roads from the municipality of Tumauiui to Ilagan two small wooden bridges are being built. On the wagon road from this same pueblo to Cabagan Nuevo the Malamag Bridge is being repaired, and on the wagon road from Cabagan Nuevo to Tuguegarao the Alicuman Bridge is being built of cement and iron. On the wagon road from Ilagan to Naguilian the Upi Bridge is being constructed of timber of the first group, with cement supports. All of this work is likewise done under the direction and supervision of the district engineer. Work on the two bridges last named, at Alicuman and Upi, has been suspended as the material therefor, which was ordered from the insular purchasing agent several months ago, has not yet been received.

The following table will give a better idea of the bridge work:

Granja Bridge, Ilagan, and three culverts by contract, material and labor	P310
Antuturag Bridge, on Tumauiui road.....	200
Bulala Bridge, on Tumauiui road.....	200
Malamag Bridge (repair), on Cabagan Nuevo road.....	600
Alicuman Bridge, construction by provincial government, estimated at.....	1,370
Upi Bridge, construction by provincial government, estimated at.....	1,380

The provincial board desiring to use the ₱8,000, the share of this province in the distribution of the ₱500,000 appropriated by Act No. 1688, decided to employ the same in the construction of cement bridges over the estuaries of Dulauan and Rugao, in the municipalities of Cauayan and Ilagan, respectively, and directed the district engineer to inspect those places and to make estimates for said work, it being the intention of the provincial board to construct one or two permanent bridges with the sum mentioned.

In view of the difficulty of securing laborers at half a peso, as on the work on the Carig-Cordon wagon road now being carried on, I recommended to the provincial board the inclusion in the pay roll of 2 foremen and 20 road hands, with a monthly salary of ₱50 for each foreman and of ₱15 for each road hand, with a view of improving and cleaning the wagon roads in a more efficient and permanent manner. In several of the provincial wagon roads there are patches of cogon and reed grass which have to be removed every year in order to clear the road, until the province will have sufficient funds to improve all the wagon roads and put them into good condition, as is now being done with the road between Carig and Cordon.

^a Omitted, and filed in the Bureau of Insular Affairs, War Department.

There has also been omitted a resolution passed by the provincial board of Isabela asking for ₱200,000 of the ₱1,500,000 appropriated for the construction of roads and bridges.

POSTS, TELEGRAPHS, AND TELEPHONES.

The mail carrying contract has been with the *Compañía General de Tabacos* for two years and the weekly service is sufficiently regular, although at times the arrival of mails is delayed a day or two.

Except in the pueblos of Tagle and Santa Maria, there is a post-office in every municipality in charge of the telegraph operator, or, where there is none, of the municipal treasurer, who receives an additional compensation therefor from the insular treasury. At Ilagan there is also a postal savings bank, in charge of the postmaster, which is operated with good results and to the entire satisfaction of the people.

Telegraph stations are established at Ilagan, the capital of the province, Cauayan, Cabagan Nuevo, and Tumauini, their services fully satisfying the public.

There are telephone stations at Ilagan and Naguillan. This telephone line benefits both the government and the public, as it economizes time and expense.

POLICE.

The constabulary in this province is composed of the following, distributed as herein shown:

Post of Ilagan:

- 1 first lieutenant, acting senior inspector.
- 1 second lieutenant, supply officer.
- 1 second lieutenant, commanding second company, Isabela.
- 2 sergeants, 1 corporal, and 19 privates.

Post of Echague:

- 1 sergeant, in command of post, 1 corporal, and 10 privates.

Post of Mayoyao:

- 1 third lieutenant, commanding first company, Isabela.
- 4 sergeants, 3 corporals, and 25 privates.

Detailed for service at Tuguegarao:

- One sergeant, 1 corporal, and 6 privates.

Total strength:

- Four officers, 8 sergeants, 6 corporals, and 70 privates.

If we deduct from this total of privates and noncommissioned officers the 42 stationed in the non-Christian tribe settlement of Mayoyao, and the 8 at Tuguegarao, it appears that from Cordon to the Cagayan boundary line we have at our disposal not more than 34 soldiers, a force entirely insufficient for guarding the immense territory of this province.

All the officers, noncommissioned officers, and privates of the municipal police are appointed by the council of the municipality where they are stationed. With the exception of the police of Palanan, they are all equipped with Colt revolvers and ammunition at the expense of the municipality, and are uniformed in khaki with blue trimmings, as ordered by the provincial board in accordance with Act No. 781. The municipal police also act as firemen in their respective municipalities.

The municipal police force is under the control of the senior inspector of this province and is subject to the rules and regulations drafted by him and approved by the provincial governor.^a

NONCHRISTIAN TRIBES.

There are several settlements of non-Christian tribes, known as Mayoyao and Bunsian, and inhabited by Igorots. Those of the Gaddanes and of the Ilongots and Negritos are scattered over the mountainous districts of the several pueblos, the most important being those of Mayoyao and Bunsian, situated in the southwestern part of the province, with approximately 5,000 inhabitants, and those of the Ilongot south of the Cagayan River and in the mountains in the south of this province, with approximately 2,000 inhabitants.

The Gaddanes are scattered along both banks of the Cagayan and Magat rivers. The Negritos inhabit the mountains along the coast.

^a A letter commendatory of the constabulary in this province has been omitted and is on file in the Bureau of Insular Affairs, War Department.

In the settlement of Mayoyao a spacious barracks building has been erected of lumber, with cogon roof, also a wooden house for officer's quarters. These two buildings were constructed by the Igorots, and there are in that settlement 42 constabulary noncommissioned officers and privates, commanded by Third Lieutenant Wing.

Aside from these two buildings, the Igorots of Mayoyao, under the direction of the American teacher, have recently constructed a schoolhouse and a dwelling house for the teacher, which are also of lumber and are better constructed and arranged than the barracks and officer's quarters of the constabulary. The Mayoyao school is at present attended by some 50 children of both sexes, this small attendance being due to the fact that the establishment of the school is of very recent date.

In the Kalinga or Gaddan settlement of Dalena, in the municipality of Cabañan Nuevo, there is also a school which is conducted by a Filipino teacher and attended by some 20 Kalinga children of both sexes.

A school has been recently opened in the Kalinga settlement of San Mariano, in the municipality of Ilagan, which is managed by a Filipino teacher, and the inhabitants are now building a schoolhouse of lumber and bamboo, without any expense to the government.

In view of the fact that the constructing of the schoolhouse and teacher's dwelling at Mayoyao was being carried on at the time when we wished to use the Igorots on the road work from Echague to said settlement, it was impossible for me to undertake this road work, as I did not desire to interfere with the work on the schoolhouse, which was done gratuitously, while the road work is to be paid for out of the non-Christian tribe's fund. At present, however, the work on the school must be completed and we shall probably begin the work on the roads next month, if the weather is favorable.

All this tends to show that the non-Christian tribes of this province have made considerable progress during the last year, since for the first time in their lives they have schools in their settlements.

POLITICAL CONDITION.

No organization of disturbers of the peace exists in the province, and the fact that the inhabitants are, as a rule, owners of more or less parcels of land which they cultivate is, together with their naturally peaceable character, the best guaranty of the most profound peace. Except a few, who are not farmers, all of the inhabitants of Isabela are engaged in agricultural pursuits or in work connected therewith. They all respect and obey the orders and laws of the insular, provincial, and municipal governments, and in nearly all the municipalities cooperate with the authorities in the difficult task of improving their pueblo, some gratuitously and others for a reasonable wage as compensation for their work.

In September and October of last year, on the occasion of the departure of approximately 100 families of tenants of the hacienda of San Antonio, the property of the Compañía General de Tabacos de Filipinas, there were persons who maliciously attributed this movement to an uprising or disturbance of the public order; but an investigation made by me, together with the municipal president, the fiscal of the district, and the third member of the provincial board, who was acting governor during my absence in Manila, developed that the causes prompting them to leave the hacienda were the unfair classification made of the tobacco annually grown by them when they sold it, and the fact that many of the families which had left had been tenants of the aforesaid hacienda for twenty and thirty years and had harvested one crop of tobacco after another without their ever having been able, during this long residence and work thereon, to free themselves from their financial straits.

In April another incident occurred between the hacienda of San Francisco, owned by Mr. Wogel, a German subject, in the municipality of Cabagan Nuevo, and the barrio of Pillig (Cabagan Nuevo), which also gave rise to malicious comment. Upon investigation it developed that several Moro tenants thereof had assaulted the peaceable residents of the barrio of Pillig. The guilty Moros are confined in the provincial jail awaiting their disposition by the court of first instance.

On June 29 last, Señor Doroteo del Castillo, justice of the peace of the municipality of Echague, was murdered in consequence of a decision rendered by him in an alleged divorce proceeding. The man, who was not favorable

to the separation, killed both the justice of the peace and the woman, and is now confined in the provincial jail awaiting disposition by the court of first instance.

Carabao and horse thefts have decreased considerably, and all the provincial, constabulary, and municipal officers are united in their efforts to eradicate this evil.

PUBLIC HEALTH AND SANITATION.

This province and that of Cagayan form one health district, which is under the control of the district health officer, and the municipality of Naguillian is the only one which has a municipal board of health.

Public health is in charge not so much of the health officer, as of the municipal presidents of the pueblos, who, on their part, are making all possible efforts in that direction.

Since July, 1907, not a single case of smallpox has been recorded, but on the other hand, we are having malarial fevers and dysentery, which seem to have become endemic.

The majority of the pueblos have no presidents of municipal boards of health, owing to the scarcity of competent persons, and to the small salaries allotted to them by the municipalities.

RECOMMENDATIONS.

In view of the vastness of the territory of this province—the wagon roads whereof have an approximate length of 93 miles, with 53 big and small bridges, from the boundary line of Nueva Vizcaya to that of Cagayan; in view of the small revenues on which it depends for the improvement of these long wagon roads and numerous bridges; and in view of the intention of the insular government to put the provincial wagon roads of the Philippine Archipelago in good condition, I hereby pray that in the distribution of the appropriation of ₱1,500,000 made by the Philippine Legislature on May 29, 1908, for public works and the improvement of the provincial wagon roads, ₱200,000 may be allotted to this province, as requested by the provincial board.

In view of the vastness of the territory of this province, of the great distance between the pueblos thereof, of the deficiency in the mail service, and in order to provide greater facilities for the transaction of business between the provincial and municipal governments and the general public, I hereby recommend that the proper authority be directed to establish telephone lines in all the pueblos of this province, furnishing each municipality with an apparatus, provided that the municipalities in which they may be installed will furnish poles of durable timber of the first group.

I also recommend that the proper authority be directed to establish a post-office in each of the municipalities of Tagle and Palanan, or if this is not possible, that in each of said pueblos mail carriers for official and private communications be appointed for the public service, to be paid out of insular funds, as in those pueblos the mail service is exceedingly deficient.

Lastly, I recommend that the engineering district of the province of Cagayan be segregated from the province of Isabela, that Isabela be made a separate district, and that an engineer be appointed for the same. This recommendation is based on the fact that Cagayan as well as Isabela is so extensive that one district engineer is not sufficient to attend to all the work connected with the roads, bridges, and buildings of both provinces, which is proved by the delay in all such work of this province. If we add thereto the work on the edifices of the provincial government which will soon begin, as the result of the granting of the loan of ₱20,000, and that on the industrial school above mentioned, the delay will become worse and will result in injury to the interests of this province.

Respectfully submitted.

ELISEO CLARAVALL,
Governor of the Province of Isabela.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF LA LAGUNA.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF LA LAGUNA,
Santa Cruz, August 8, 1908.

SIR: I have the honor to transmit herewith my report for the fiscal year ended June 30, 1908.

AGRICULTURE.

Palay.—During the fiscal year there were harvested 574,700 cavans of palay, as compared with 500,000 in the fiscal year 1907, an increase of 74,700 cavans. The average price of a cavan of palay in the various municipalities during the past few months has been from ₱2 to ₱2.50.

Cocoanut trees.—The production during the fiscal year has exceeded that of the preceding because the cocoanut trees have partly recovered from the damage suffered from the typhoon of September 25, 1905. A reasonable estimate places the number of cocoanuts collected during the last twelve months at 350,000,000. The average price of cocoanuts per thousand has varied from ₱20 to ₱30, according to class, in the pueblos along the shore, and 50 per cent thereof was used in the manufacture of copra and 30 per cent in that of oil.

Corn.—A good crop has been obtained in all the pueblos, having reached some 30,000 cavans, at a price, approximately, of from ₱3.50 to ₱3.75 per cavan.

Sugar cane.—A fair crop has been obtained, as compared with those of late years (which does not mean that sugar cane occupies the place that it had before the revolution, inasmuch as then triple the amount was harvested), and by it the landowners were able partly to recover the losses suffered during the last fiscal year. Some 115,000 piculs of sugar were gathered, and the selling price was from ₱3.50 to ₱3.80 per picul.

These are the principal agricultural products worthy of special attention, but the production of lanzones, tomatoes, bananas, and other products has also been fairly good.

COMMERCE.

Mercantile transactions during the year amounted in value to ₱3,928,600.62.

The exportation of copra to Manila was not included in the above amount, as in view of its importance it is shown in the following table:

Locality.	Piculs.	Pesos.
Santa Cruz.....	86, 966	608, 902
Pagsanjan.....	54, 673	382, 711
Bay.....	147, 834	1, 034, 838
Total.....	289, 493	2, 026, 451

There was an increase over the preceding year of 84,138 piculs of copra exported, representing a value of ₱648,825. The average price of copra has been ₱7.

INDUSTRIES.

There are several cigar and cigarette factories.^a

The manufacture of distilled spirits and oils during the last fiscal year, and the taxes paid thereon, may be seen in the following table:^b

The sales were greater than during the preceding year owing to the increase in the yield of the cocoanut trees hereinbefore mentioned.

^a A table showing the manufacture of cigars, cigarettes, and picadura, as well as the tax from same, has been omitted, and is on file in the Bureau of Insular Affairs, War Department.

^b Omitted and filed in the Bureau of Insular Affairs, War Department.

PUBLIC INSTRUCTION.

This department has merited special attention on the part of the provincial and municipal authorities. There are 100 schools in the province, 31 in the towns and 69 in the barrios, conducted by 177 teachers, insular and municipal.

During the school year ended March 31 last the schools were attended as follows: *

The average annual attendance has been 24 per cent of the total population of the province, which according to the census of 1903 is 148,606 inhabitants.

For rental of the houses occupied by the high school and the office of the superintendent, the provincial treasury paid ₱1,500, or ₱100 and ₱25 per month, respectively; for salaries of messengers and others ₱597.91, and for material and transportation ₱219.54—a total of ₱2,317.45.

As to the municipal schools, the following table shows the expenses incurred in the different municipalities of the province: *

The table shows that the balance on hand at the end of last June in the different municipalities of the province was ₱71,297.97—a less amount than that shown in the last annual report, which was ₱83,685.82.

Taking into account that during the years 1906 and 1907 no collections of land tax whatever were made, although the insular treasury reimbursed the municipalities for a part of the amount they might have collected as such, it will be seen that the difference between the balances is not of much importance.

FINANCES.

The following tables show the revenues from all sources and expenditures during the fiscal year: *

At first sight it appears that ₱22,007.25 and ₱20,000 were spent in the maintenance of prisoners. This last sum was allowed for the purpose specified in Act No. 1688, and a part of the same was spent on the different roads—that is, it was not allotted exclusively for the maintenance of prisoners.

If the work completed by the 400 insular prisoners who were allotted to this province had been done by day laborers with wages at ₱0.60 a day, ₱61,884.20 would have been needed, according to the accounts kept.

There is no doubt but that the employment of prisoners on such works (roads and buildings) has given satisfactory results.

The roads which were declared to be of the first class by the provincial board are:

	Kilometers.
Santa Cruz-Pagsanjan	5.0
Ramal de Magdalena	7.0
Magdalena-Majayjay	9.0
Bay-San Pablo	15.2
Calamba-Los Baños-Bay	14.5
Calamba-Tunasan	21.0
San Pablo-Tiaong	10.3
Pagsanjan-Lumban	3.0
Total	85.0

The roads from Lumban to Mavita and from Santa Cruz to Pila, although not classified as of the first class, are nevertheless declared to be improved roads, and consequently come under the provisions of Act No. 774.

POLITICAL CONDITIONS.

The Progressists were successful in the elections and, with the exception of two municipalities, all the municipal officials are affiliated with that party.

It is mentioned here with great satisfaction that the elections were held with the best order, without the authorities being called upon to suppress riots or disturbances of any kind, and, as on all occasions, the most perfect harmony that could be desired reigned.

* Omitted and filed in the Bureau of Insular Affairs, War Department.

PUBLIC HEALTH.

The sanitary condition has been unsurpassable, as no contagious disease has been developed, nor has cholera made its appearance. The district sanitary officer is now gathering together persons afflicted with leprosy and it is to be hoped that in a few days he will have finished this work.

Respectfully submitted.

JUAN CAILLES,

Governor of the Province of La Laguna.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF LEPANTO-BONTOC.

OFFICE OF THE GOVERNOR,
PROVINCE OF LEPANTO-BONTOC,
Cervantes, August 1, 1908.

SIR: I have the honor to submit my report for the fiscal year ended June 30, 1908.

The past year has been in many respects the most remarkable in the history of the province. It has seen the construction of more roads, bridges, and public buildings than any two previous years; greater advancement in the knowledge of the principles of local government in the organized townships; the extension of successful government over a wide area occupied by hitherto wild tribes; marked progress in agriculture; the cultivation of a greater area of land; and increased economic prosperity of the people.

The area of the province has been so extended by addition of territory from the provinces of La Union, Ilocos Sur, Cagayan, and Isabela that instead of a population of 72,750 people as given by the census of 1903, which was an underestimate, we have now not less than 130,000 people. These are divided as follows:

Subprovince of—

Amburayan	28,880
Lepanto	25,051
Bontoc	35,000
Kalinga	45,000

The population of the first two subprovinces represents an actual count made this year, while the others are careful estimates. Of this population practically all outside the municipality of Tagudin and the township of Cervantes are members of the so-called non-Christian tribes. There are, to be exact, 14,585 Christians in the entire province. Yet the Igorot people have in many places attained a civilization but a slight degree less than that of the lower-class Filipinos, and are everywhere making progress, as is noted in the improvement in the style of houses which they build and in general improvement in their manner of living.

Conditions as regards peace and order were never better. Among the Igorot population of Lepanto and Amburayan a worse crime than cattle stealing is scarcely known. There is, however, more than enough of that, for the Igorots are born thieves, and consider stealing a crime only when caught. Murder is unknown among them. Their compliance with law and local ordinances is generally good.

The chief crimes of the year—a case of murder and one of robbery by an armed band—were committed by Filipino nonresidents. The latter was one in which 18 Ilocanos from Candon entered a small barrio of the township of Concepcion at night and surrounded the house of a prominent Igorot. The leader represented himself to be a sergeant of constabulary, and thus gained entrance to the house. The occupants were seized and compelled by threats to tell where their money was hidden. The robbers succeeded in getting away with ₱90. An alarm was spread and the town turned out in pursuit of the robbers. After several hours' chase in the darkness one of the band was captured and from information secured from him all the others except the leader have been arrested.

Conditions in Bontoc subprovince as regards headtaking are somewhat improved, although there is still considerable hostility among some of the towns in the Lubuagan region. It is only a question of a short time, however, until

such practice can be entirely wiped out. Conditions there are no worse than they were right at Bontoc four or five years ago, where headtaking now is a thing of the past.

In the larger part of Kalinga, however, it will take considerably longer to get sufficiently in touch with the people to abolish headtaking. They have been so long without government that the task of imposing one on them is not easy. A great many cases of murder, headtaking, and even the burning of towns have come to the notice of the lieutenant-governor during his residence there.

PROVINCIAL ADMINISTRATION.

The only changes in the personnel of the provincial government have been the transfer of Lieutenant-Governor Walter F. Hale from the subprovince of Amburayan to the new subprovince of Kalinga, which was mentioned in my last report, but which did not actually take place until January 1 of this year, and the appointment of Mr. J. H. Evans of the bureau of education to succeed Lieutenant-Governor Hale.

This change increases the number of lieutenant-governors to three. The provincial governor is in effect lieutenant-governor of the subprovince of Lepanto, and exercises supervisory powers over the other subprovinces. So much of his time is taken up with petty complaints and administrative matters in his own subprovince that he is unable to make inspection trips in the other districts frequently enough. It would appear advisable to have a lieutenant-governor also in Lepanto, and such a move will be imperative in case additional territory is added to the province, and new subprovinces formed.

Lepanto consists of 12 organized townships, all in fair condition financially. They all have excellent Igorot presidents, as in Igorot elections usually the best and most influential man is chosen president.

A change has been made during the past year whereby the Filipino secretary-treasurers of the townships have been made deputies of the provincial treasurer, and as an immediate result thereof an increase in the collection of taxes was noted. Formerly it was impossible for the traveling deputies in the one or two visits a month to reach all taxpayers, but now there are very few delinquents.

SUBPROVINCE OF AMBURAYAN.

Amburayan consists of eight organized townships and one municipality. Of the townships, four have erected new presidencias during the past year entirely from their own funds. All of them are self-supporting, and taxes have been collected without difficulty. The property tax and the road tax, which were imposed for the first time in the three townships in the territory acquired from La Union Province, met with no opposition and conditions are everywhere better. The attitude of the people toward the government is most friendly and their cooperation almost enthusiastic. Especially is this the case in the municipality of Tagudin.

The credit for this improvement in the relations of people and provincial government belongs largely to Lieutenant-Governor Evans, who has been most successful in getting the confidence of the people and in laboring earnestly for their welfare.

SUBPROVINCE OF BONTOC.

In Bontoc also a decided improvement can be noticed. There are therein two organized townships and about 50 independent rancherias. The people being much more primitive, the government is necessarily more paternal in character than in Lepanto and Amburayan. They readily respond to all orders and are not difficult to handle. Lieutenant-Governor Eckman enjoys the full confidence of the people and has ably met all problems that have confronted him in dealing with them.

One of the most important undertakings of the year has been the establishment of an Igorot exchange in Bontoc, which I recommended in my report two years ago, and which was opened in September, 1907. A stock of ₱2,000 worth of articles used by the Igorots, or for which it was believed a demand could be created, was put on sale at prices sufficiently in advance of cost to pay expenses. The results far exceeded our expectation. In fact it became difficult to keep sufficient stock on hand. Igorot products and articles made by them were taken in exchange, although little was offered, the people apparently having considerable money, the result of several years' road work and cargador

service. Since the beginning the exchange has sold on an average about ₱1,000 worth of supplies per month. One of the results of the exchange has been to make the people more anxious for employment as cargadores and on the roads and other government work, and it will no doubt, in time, raise appreciably the standard of living.

The exchange has been handled directly by Lieutenant-Governor Eckman, to whom its great success is due.

SUBPROVINCE OF KALINGA.

This new territory, acquired by Act No. 1642 from Cagayan and Isabela, is occupied by a more or less warlike people over whom the government of the two provinces named had exercised little or no control. A perpetual state of head taking and hostility exists, although the people are in many ways more progressive and civilized than the Igorots in the vicinity of Bontoc.

The Spaniards had attempted to establish posts in the Kalinga country, but between disease and the hostility of the people, had never accomplished anything.

Lieutenant-Governor Hale left Tagudin early in January for his new post, going by way of Aparri and Tuguegarao. Tabuc, where the Spaniards had erected a church and convent, had been selected as a temporary capital, and here Lieutenant-Governor Hale, with half a company of Igorot Constabulary and one officer, located after considerable trouble in getting transportation from Tuguegarao, a day's travel by horse over a rolling plain. The church and convent, especially the latter, were found to be in fair condition and were immediately occupied, the church by the constabulary and the convent by Mr. Hale and family. There were no people living in the immediate vicinity, but a short distance away were a few scattered houses of Kalingas of a very low type.

Work was at once begun making the place habitable, but it soon became apparent that the stories handed down by the Spaniards as to the unhealthfulness of the place were only too true. The soldiers and their officer, Lieutenant Bruner, members of Governor Hale's family, and, in fact, every one except Hale himself contracted malaria. After fighting the disease for about six weeks, during which time many of the little colony suffered two or three severe attacks of fever, it was decided to seek a more healthful location.

Temporary quarters of light materials were erected on the new site about two miles from the convent, and the move was made as quickly as possible. For a time it seemed as if all might go well, but the malaria persisted, half the force being usually sick, and finally Governor Hale himself went down with the pernicious fever. But for the timely arrival of Doctor Moss of the Constabulary he would probably have succumbed to the disease.

By direction of the secretary of the interior the colony has now withdrawn to Lubuagan, where they are recuperating, pending the selection of a suitable place for a capital.

It has been, therefore, manifestly impossible for Lieutenant-Governor Hale to get over the entire region and to get into touch with the people during his six months' residence there. He has, however, visited many rancherias within easy distance of Tabuc and has encountered no particular difficulties in dealing with them. The writer visited Tabuc in April and several rancherias of Kalingas, being treated everywhere with marked courtesy. Lieutenant-Governor Hale has had some trouble in getting the people to work on the buildings for offices and quarters for himself and the constabulary, and on the road now building from Lubuagan to Tabuc but has so far encountered no serious opposition.

He has made some progress in dealing with head taking, having captured 2 of a band of 7 from Lubuagan, which had taken 5 heads in the Kalinga town of Baligyan, in the month of December before his arrival at Tabuc.

PUBLIC WORK.

A first-class horse trail, 5 to 7 feet wide on a 5 per cent grade, between Cervantes and Tagudin, a distance of 40 miles, was completed in June. Work thereon was begun in January, 1906, and continued steadily ever since except during the rainiest months. More than half of the road, on which there are three truss bridges, 117, 120, and 366 feet in length, respectively, was built during the fiscal year just ended. The entire work has been done by

the province without insular aid at a cost of a little over ₱100,000, including the value of free road tax labor at customary rates.

For the first time in its history Cervantes and the interior have an outlet to the coast at any and all times of the year. There is not a river to ford, whereas by the old Candon trail one river had to be crossed 13 times, and the road at the Candon end was, in the rainy season, a sea of mud. The importance of the new trail, as has been pointed out in previous reports, can not be overestimated. Another trail of importance on which work has been actively pushed is the mountain trail between Suyoc and Bagulo to connect with one being built by the province of Benguet. This trail, when completed, will greatly shorten the distance between Bagulo and Cervantes, and also offer an outlet at all seasons free from bad rivers. It will no doubt become a favorite route for tourists in Bagulo during the summer season. Nowhere will the road be less than 5,000 feet high, and it will be possible for people from Bagulo to visit Cervantes by an easy, pleasant trip, returning by way of the beautiful Tagudin road and San Fernando.

A third most important trail is one from Lubuagan to Tabuc, a distance of about 25 miles, of which 15 miles have already been completed. It offers an outlet to Cagayan Valley, and it will within a few months be possible to ride a horse from Tagudin to Tuguegarao, or through the entire length of Lepanto-Bontoc, a distance of about 140 miles.

Other trails built during the past year are one from Lubuagan to Mangall, a distance of 13 miles; one to connect Bontoc with Barlig, Lias, and the eastern section of Bontoc subprovince, of which 10 miles have been completed; and one between San Gabriel and Santol, subprovince of Amburayan, a distance of 8 miles.

In addition, the Tagudin coast road has been repaired and four bridges erected, so that the part of the coast road pertaining to this province is said by travelers to be in better condition than the remainder between Tagudin and Vigan.

In all, about 70 miles of new trail and 7 bridges have been built during the past year, in addition to a great deal of repair work on existing trails.

ROAD WORK CONTEMPLATED.

In addition to the continuation of the Lubuagan-Tabuc, and Bontoc-Gadacian trails mentioned above, work will be begun shortly on a new trail on a 4 per cent grade between Cervantes and Bontoc, to replace the present trail with its prohibitive grades.

A trail will be undertaken in the Saltan River Valley, between Balbalasan and Tabuc, subprovince of Kalunga, which will connect Abra and the Cagayan Valley. This should become an important thoroughfare between the crowded Ilocano country and the rich unoccupied lands of Cagayan.

A number of shorter trails will be projected between towns in the subprovince of Amburayan, which has been more or less without roads of any kind. There is an endless amount of this sort of work to be done to open up the country thoroughly, but it is confidently believed that no other province is accomplishing so much in this line with the same money and facilities as Lepanto-Bontoc.

AGRICULTURE.

Only 4 of the 22 townships report the rice crop of last year as good as in former years. All of the others show a marked decrease, in some places as much as 50 per cent. In the municipality of Tagudin the planters barely got back their seed. This shortage was generally due to drought, although in the Igorot settlements where irrigation is always used strong winds and ravages of worms hurt the crops.

Notwithstanding this shortage more rice has been exported than ever before, owing to the total rice failure on the coast. The Igorots of the border towns have apparently preferred to sell their entire supply of rice at good prices and run the risk of going hungry. However, owing to the large cultivation of quick-growing crops, there is little danger of famine. Camotes, corn, and beans furnish a large part of the food supply of the mountain people.

Owing to the shortage in the rice crop in Amburayan, many applications have been received for permits to make clearings, or "calūgins," and hundreds of such permits have been granted. The sites selected have been wholly free

from valuable timber, so that no injury has been done to forests. Mountain rice and corn are usually grown on these cañings.

The coffee crop has been below the average. About 1,800 cavans have been harvested. It is the prevailing belief that the coffee trees are dying out and that the people are making no effort to renew them. This is a mistake. Although coffee cultivation was started by the Spaniards under the force system, yet the people now realize that they can make more money with the least effort with coffee than with any other product. About 100,000 plants are set out every year, and there is every reason to believe that the crop will increase.

Cacao is little grown except in a few of the towns of Amburayan, and not enough there to be of much commercial importance, although its cultivation is extending.

A great deal of tobacco and sugar cane are grown in various parts of the province for local consumption, though nothing for export except in the township of San Gabriel, Amburayan, in which much tobacco to sell is raised.

There has been constant endeavor on the part of the provincial officials to encourage the people to increased activity in agriculture, not only in securing a larger and better food supply, but in raising those articles which can be exported profitably.

CATTLE RAISING.

The cattle industry, one of the most important of the province, received a severe blow last year in the epidemic of anthrax, which broke out early in July in the township of Banco and lasted over three months. Nearly all the animals of that township died, as well as a large part of those in the adjoining townships of Cayan and Banaao.

Before the disease was discovered by the provincial authorities a wide area had been infected, and extreme measures had to be resorted to in order to prevent further spread.

In spite, however, of our best efforts 770 head of cattle and carabaos succumbed to the disease before it could be stamped out. At the same time we were threatened with disease from the province of Benguet, and maintained a strong quarantine along the border for several weeks. The expense of the quarantine work and of the stamping out of the epidemic of anthrax was met from a special appropriation of ₱2,500 by the Commission, all of which was spent.

In addition to the anthrax, rinderpest carried off 64 head of carabaos and cattle in the township of Alilem during the year, and also entered the townships of Sigay and Sugpon. Mancayan suffered the loss of about 50 animals during the year, and Cervantes 25, from diseases unknown but not very contagious.

We have therefore lost by disease no less than 1,000 head of carabaos and cattle.

Horses have not been affected. In fact, during the anthrax epidemic horses grazed continually over the infected region without contracting the disease. Hogs and poultry have suffered from disease, especially in Amburayan.

Notwithstanding the risks to be run, cattle raising continues to be a popular industry, several Americans engaging in it. The anthrax did not apparently affect prices, which have always been and continue to be good.

Reports from townships and municipalities show that 2,845 large animals of all kinds have been registered during the past year and that 1,480 have been sold for ₱110,263, an average of ₱74 per head.

The raising of hogs is an important industry, owing to the great demand for them among the Igorots for their cañaos.

During the past year a full-blood Berkshire boar has been sent to all the townships in Lepanto for breeding purposes, with marked results. If the people will take care of the pigs and retain the best ones for breeding, a great improvement in the stock will soon become apparent.

I regret to state that no great results are apparent from a year's stand in this province of the Arabian stallion Hatim, although it is believed that two or three colts recently foaled are his. But the experiment has not been a success.

Good results have been obtained from a half-breed Galloway bull, which the province bought from the bureau of agriculture and will lend to the various towns for service.

COMMERCE.

The exportation of coffee, cattle, and a limited quantity of rice and tobacco has already been mentioned. Except these and a considerable quantity of gold mined every year by the Suyoc Igorots, nothing of commercial importance is produced. It is estimated that about ₱200,000 have been realized during the year from these products in Lepanto and Amburayan, an average of nearly ₱4 per man, woman, and child.

About ₱50,000 worth of hogs and chickens are brought into the province every year from the coast, besides a considerable quantity of native cloth.

No new enterprises of a commercial nature have been undertaken during the year.

FINANCES.

The expenses of the province are growing with the receipts, so that it is not likely to become self-supporting in the near future. However, the insular appropriations for the past fiscal year were less in proportion to provincial receipts than for any previous year. The following is a financial statement of receipts and expenditures during the fiscal year 1908:^a

More money has been spent on roads, bridges, and other public works than for all other purposes combined, the amount being almost equal to the provincial receipts.^b

TOWNSHIP AND SETTLEMENT FUND.

The following table shows since the beginning the disposition of the township and settlement fund, and that part of the internal revenue refund pertaining to townships and settlements, but which the provincial board may expend for any purpose approved by the secretary of the interior:^c

The financial condition of the townships is not good, as their receipts are barely enough to meet their expenditures, and it has been necessary to help several of them by allotments from the township and settlement fund. However, they are not now called upon to pay the salaries of teachers, except in a few instances, they being now borne by the bureau of education. Several townships have for some time been saving money with which to build presidencias.

Sugpon, Santol, Sudipen, Sagada, and Bagnen have built presidencias during the past year, and others are now under construction in Mancayan and Suyo.

The township police of the province have been uniformed for the first time and given suitable badges.

The following is a statement of the financial operations of the townships for the calendar year 1907:^c

The school fund, of which a total of ₱3,031.67 for all townships was appropriated from the general fund and all expended, is not included in the statement.

PUBLIC INSTRUCTION.

There are Igorot industrial schools at Cervantes, Bontoc, and Alliem, the first being entirely, and the other two largely, boarding schools.

The Cervantes school has been almost entirely a failure, and after considerable trouble and an expense of nearly ₱10,000 in erecting a fine building, it has been learned that an Igorot school at Cervantes is not likely to succeed.

In the first place, to secure a constant and regular attendance an Igorot school ought to be in an Igorot center, which Cervantes is not. Secondly, Cervantes is malarial, and the boys, coming usually from higher altitudes, contract malaria either at the school or when they go home for vacation. Five boys have died in little over a year. Third, the school was put in charge of an absolutely inexperienced man, new to the Philippines and to the work, who seemed unable to gain the confidence of the pupils.

For all these reasons, the boys continually ran away and their parents refused to make them attend.

Full attendance was finally secured from the Amburayan towns, and with a new teacher better results are hoped for this year. However, it is thought that if the school is to continue to the best advantage, Ilocano pupils will have to be

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

^b A table showing expenditures on roads and bridges has been omitted and is on file in the Bureau of Insular Affairs, War Department.

admitted. Otherwise it may become necessary to tear the building down and move it to Cayan or Bauco.

The Alilem school, just as it was beginning to flourish nicely, lost its American teacher, Mr. A. E. Allen, who was moved to another post, no one having been sent to take his place. The school was continued with four Filipino teachers under the temporary supervision of Capt. W. H. Brown, an American negro resident at Alilem. The attendance has been good, but the school is not industrial in anything but name, lacking the proper teaching force to make it so.

At Bontoc there is a different story, and owing to the energy and efficiency of the teacher, Mr. J. C. Early, there have been visible concrete results. Iron and wood working and basket weaving are being taught. Mr. Early has given a great deal of his attention to brickmaking, and has burned about 140,000 brick of first-class quality for the erection of a new school building to replace the frame structure formerly used. Work is now going forward on this building under the direction of the provincial supervisor.

A successful and interesting feature of the Bontoc schools is the attendance of about 30 little Igorot girls. It was a difficult matter both to overcome the prejudice of the parents and to tame the girls, who were at first as wild as so many deer. But from the beginning the girls learned rapidly, and the girls' school is a decided success.

Mr. Early has just established three primary schools in Bontoc and near-by pueblos under Igorot teachers trained in the industrial school.

In the Cayan supervising district good work has been done in the seven Igorot schools with Filipino teachers under the supervision of Mr. E. B. Richards. Industrial work, such as hat and basket making, has been inaugurated with success.

Experience has shown that the Igorot children will attend school under favorable circumstances and will learn as rapidly as any others, and, unless the province continues to get the short end of the deal as regards teaching force, much progress should be made and much good accomplished.

The following data secured from the division superintendent shows the school attendance for the year by districts. It should be remembered that these are all Igorot schools except the Cervantes central and Tagudin:

District.	Number of schools.	Enrollment.			Average number belonging.			Average attendance.			Percentage of attendance.
		Male.	Female.	Total.	Male.	Female.	Total.	Male.	Female.	Total.	
Alilem.....	6	161	113	274	147	104	251	140	101	241	94
Bontoc industrial.....	1	71	5	76	70	5	75	70	4	74	98
Cervantes industrial.....	1	49	.....	49	41	.....	41	37	.....	37	92
Cervantes district.....	4	138	40	178	129	36	165	116	35	151	91
Cervantes central.....	1	72	56	128	68	54	122	64	52	116	95
Cayan district.....	7	277	11	288	259	10	269	244	10	254	96
Tagudin.....	5	192	137	329	183	133	316	172	122	294	94
Total.....	25	960	362	1,322	897	342	1,239	843	324	1,167	94

The above are all primary schools. In addition to this enrollment there were 25 pupils in the intermediate grades at Cervantes, Alilem, and Bontoc. The teaching force the past year numbered 10 American and 35 Filipino teachers, but at present there are but 5 American teachers in the province.

MINING.

I regret to be unable to report any new developments in the mining situation. An expert representing a Boston syndicate spent several weeks here looking over the properties of the Lepanto Mining Company and has returned to the States. While his reports are believed to have been favorable as regards the copper prospects, nothing definite has been made public. The Lepanto Mining Company has made no payments on its options and has not undertaken any work under its franchise to build a road to the coast.

Mine owners are confident that sooner or later developments will come. The ore is here, and but for the financial panic and drop in the price of copper it

is thought that the copper properties would have been bought up before this. Under favorable circumstances capital is bound to be attracted to the development of these mines.

The Igorots continue to mine in their primitive way the Suyou gold deposits, and it is estimated they take out from 1,000 to 1,500 ounces of gold every year. The larger part of it is sold in Bagnio, and thus the province of Benguet gets the credit for its production.

POLITICAL CONDITIONS.

This province is peculiarly free from political agitation.

In the Igorot townships contests seldom take place in the election of local officers. The Igorots conduct a primary of their own where the candidates are chosen, and on election day only a few appear to cast the votes of the primary so chosen.

PUBLIC HEALTH AND SANITATION.

No epidemics of disease have appeared among the people. Cholera, which is prevalent on all sides of us, has not entered the province. Health has been generally good.

Statistics from the organized townships for the past year show a death rate to be 3.38 per cent of the whole population, while the health of the natives is 2.10 per cent.

Considering the entire lack of any kind of medical attention among the natives and their generally unsanitary manner of living this seems to be a very low rate. Among the more primitive people of Bontoc the death rate is somewhat greater.

The writer has advocated for several years the establishment of a hospital for the treatment of natives, and only a small number of cases have been treated. People suffering from malarial diseases, however, infected wounds, and other ailments are restored to full health, but the Igorots would gradually leave all the natives the custom of having medicine in cases of sickness.

Such a hospital, staffed by a nurse, is established either at Cebu or Manila, and is without doctors or any facilities for medical treatment of natives, while there are now two American doctors. The Bureau of Health and Education commissions are doing a great deal of good in this respect, but the government could do much more.

Respectfully submitted,

WILLIAM A. BROWN,

Governor of the Province of Lepanto-Bontoc.

The GOVERNOR, CEBU.

Report of the Lieutenant-Governor of Bontoc, Lepanto-Bontoc.

OFFICE OF THE LIEUTENANT-GOVERNOR.

SUBPROVINCE OF BONTOC, LEPANTO-BONTOC.

Bontoc, July 2, 1908.

SIR: I have the honor to submit the following report for the fiscal year ended June 30, 1908:

Upon visiting all the rancherias of the subprovince from two to six and more times during the past year a steady and satisfactory progress has been noted. Peace conditions are very good, no rancherias having been engaged in conflict with others in the subprovince. This has encouraged a great deal of traveling among Igorots of the different towns and from the different towns to the subprovincial capital. The people have thus become better acquainted and have gradually learned that their neighbors are not as unfriendly to them as they had for generations supposed them to be. Igorots from the Lubagan and Banguad regions, 50 miles away, have frequently brought chickens, cotton, and rice to Bontoc to sell and exchange for goods sold in the Igorot Exchange, an institution established as an experiment by the province during the past year.

With the establishment of a constabulary post in the Balangao region, peace conditions there and in the Barlig and Lias Valley have been greatly improved. Before this post was placed there practically all of the rancherias in those

regions were engaged in internecine war. Scarcely any traveling between towns was done by the inhabitants, and their outlying fields had been abandoned, except those in rancherías which had fighting men enough to go to their fields in large parties. Now they are traveling about, getting better acquainted, cultivating their formerly abandoned fields, and making new fields in the outlying locations. They are also bringing their products to Bontoc for sale and exchange.

The plan of government for the township of Bontoc has been carried out with gratifying success. The presidentes are frequently called together and matters pertaining to their welfare and improvement discussed. They interest themselves with civic affairs and make to and receive from each other suggestions for further improvement in their districts and the surrounding ones.

The presidentes have all been very faithful in their work, heavy demands for cargadores, lumber, etc., having been made upon them this year, and they have all responded with promptness. As the presidentes are not receiving salaries, we find some difficulty in getting the best men of a town to act in this capacity, as the duties necessarily required of them take them away from their own work. They also make frequent trips to Bontoc to report conditions to the lieutenant-governor, and accompany all parties from their towns who wish to go to Bontoc for trading purposes. If presidentes could be paid a small salary of from ₱2 to ₱5 per month it would enable us to secure the best men to serve, and they, feeling that they were receiving something from the government for their work, would render much more efficient service, and it would tend to make the people of the towns look upon them more as being government officials and backed up by the government. The payment of a salary would have another good effect, in that if it were explained to the presidente that he was a deputy provincial sheriff, paid as such, he would keep order in his town and aid materially in making arrests.

The township police force has proved to be a most useful organization to both the province and the township. There are 10 men, all Igorots, in the force, and their duties have consisted mostly in guarding the subprovincial jail, acting as messengers for the lieutenant-governor to the distant towns, and police and escort duty. Owing to the small salary paid them, a private receiving only ₱2.50 monthly, and being practically on duty all the time, thus allowing them no opportunity to attend to their families and property, the best men can not be induced to remain on the force long enough to learn the duties and to be of some service. I have requested the provincial board to amend the present Bontoc organization act so that the pay of the sergeant of police be increased from ₱8 to ₱12, the corporal from ₱5 to ₱8, and the first and second class privates from ₱3 and ₱2.50, respectively, to ₱4 and ₱3.50, respectively, per month. The township funds are sufficient to easily stand this increase, and it would enable the township government and province to have a well-trained force all the time. It would also greatly facilitate the work of the Constabulary and provincial authorities in the outlying posts, such as Lubuagan and Cadaclan, if provision were made for the employment of two or more Igorots of these towns as police and detective officers. The soldiers are almost without exception natives of the Bontoc region, and, stationed among people hostile to them, can not get in close touch with them, so as to get desired information of their movements. A policeman native to the region could do this and could as well enforce required regulations without the friction which would naturally follow the enforcement of the same regulations by a hostile Igorot, even though backed by the might of the law.

Work upon roads and repairs upon same have gone steadily on. An excellent road, 8 feet wide in most places and on a very low and even grade, has been built from Lubuagan toward Nanon, of Kalinga subprovince. One is now able to ride a horse on a trot all the way over this road from Lubuagan to Nanon. A new road is also being built to connect the rancherías of the Balangao and Barlig regions with Talubin and Bontoc. When completed it will be about 40 miles in length, on a good grade, and will cross over two mountain ranges, each of which has an altitude of about 6,000 feet. All other roads and bridges in the subprovince have been kept in excellent repair throughout the year.

When the roads now planned between Bontoc and Cervantes and between Bontoc and Lubuagan are completed, and the the road between here and Polls Mountain has been repaired, the roads now building or which have been built during the past year will be connected, giving the province an excellent trunk line connecting all the subprovinces and a double outlet to the Cagayan Valley

via Bayombong and via Tuguegarao. These then can easily be extended to Abra and Ilocos Sur, and all gradually widened to a cart road.

The building of a new industrial school building in Bontoc was begun several months ago. It will be of brick burned in Bontoc and will have all the requirements and equipment for a practical Igorot industrial school. There have already been burned successfully and at a small expense, under the direction of Mr. Early, the supervising teacher in charge of the schools in Bontoc, during the school vacation of the present year, 140,000 brick. An Igorot girls' industrial school was also begun during the vacation term. There were enrolled 30 Igorot girls, ranging from 8 to 14 years of age. They sleep at the school, and clothing and subsistence are provided them by the school. They seem a very contented lot and anxious to learn all that is being taught them, weaving being one of the subjects, also simple lessons in domestic science.

Three fire wardens for the subprovince of Bontoc, Igorots stationed in the Sagada, Bontoc, and Barlig regions, were appointed this year by the district inspector of the bureau of forestry. They were on the go almost the entire year preaching "no fires" to all Igorots, and through their energetic work and careful watchfulness forest fires were kept down to almost nil. They also kept a check on the wasteful cutting of timber, especially that of small trees.

The establishment of the Igorot Exchange at Bontoc last September has demonstrated the need of these stores among the people. The experiment has met with excellent results; the sales through the exchange having averaged almost ₱1,000 each month, and are gradually increasing. Everything that an Igorot wants is sold therein for cash or in exchange for products of their own, and an effort is made to keep a large stock on hand to meet all demands. Heretofore Igorots were either compelled to purchase all things they required in Cervantes or the coast towns, which necessitated several days' absence from their homes and the enduring of all the hardships of a long journey and the consequent illness caused by exposure while en route, or else the making of their purchases from peddlers, etc., who occasionally stray into the country and make a profit of 100 per cent and more on their wares. The exchange has brought people in from far and near who had never seen Bontoc, merely because they knew they could buy anything they wanted at a fair price, and as much of anything as they could pay for. To encourage still more traveling by the people between towns, they are escorted by all Constabulary patrols on their tour, which are made in all directions once each week, and then returned under escort to their homes.

No epidemics or plagues visited the subprovince during the year.

Unusually large crops of rice and camotes were gathered throughout the subprovince.

New roads over which pack trains and later carts could be used are the most important requirements at the present time. In looking over the record of cargadores furnished by the towns of the subprovince for official purposes during the past year, I find that the number furnished each week would average close to 500, in addition to all other laborers furnished for roads and in securing material for building purposes. One can readily see that the demand for cargadores is increasing, and, if only to help this one item by enabling us to use horses instead of humans as beasts of burden, roads are an absolute necessity.

The government should have in Bontoc a free dispensary and hospital for the care of suffering Igorots. The Igorot has few natural remedies or methods for the treatment of even the most ordinary ailments, and places his hope of recovery almost wholly upon the *cañao*. As a result, trachoma, rheumatism, meningitis, and lately malaria are making heavy inroads upon the strength of this remarkably virile people, and the only hope of saving them untold misery lies in the immediate establishment of a hospital with a staff sufficient to cope with the spreading diseases.

I would also earnestly recommend the adoption of some plan whereby it will be possible for the Igorots to register titles to their rice fields or *sementeras*. Their holdings have become widely scattered in area through the existence of the established *rancherías*, and the title to individual *sementeras* is a fruitful cause of dispute between individuals and families and in some cases towns have been drawn into the argument. The people would be willing to pay a small fee for registration of title and nothing could better be done to eliminate such disputes.

I wish also to emphasize the importance of establishing a telephone line connecting the northern end of the subprovince with Bontoc and Cervantes—at the present time it takes a courier two and three days to make the trip between Bontoc and Lubuagan—thus allowing us to make quick cooperation between the officials of the two regions on matters of immediate importance. With a telephone line between the towns concerted movements could be made to check any attempts of head-hunting in bodies or other criminal aggression. It would also facilitate the administration of civic matters to a marked degree.

Respectfully submitted.

E. A. ECKMAN,

Lieutenant-Governor, Subprovince of Bontoc, Lepanto-Bontoc.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF LEYTE.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF LEYTE,
Tacloban, August 12, 1908.

SIR: I have the honor to submit herewith my report for the fiscal year ended June 30, 1908:

The province has generally been more pacific, and it may be affirmed that as to public order the government of Leyte could not have progressed better.

The administration, which is in the hands of a provincial board, has, in general, been good and sufficient, although it has perhaps been severe, as during the fiscal year the municipal presidents of Burawen, Tanauan, Barugo, Maasin, Hinunangan, Inopacan Jaro, Burawen (the second time) and Palompon were suspended.

As to progress, we may point to the improvements made, as for instance, the construction of the iron bridge of Palo, the finest bridge in the province; the construction of the Palo-Alangalang wagon road, begun in the month of April; the extension of the provincial jail and the construction of the provincial school, which latter was commenced last June, the corner stone to be laid on August 16, 1908.

AGRICULTURE.

The progress in agriculture has been noteworthy, owing to the increase in the number of abaca and cocoanut plantations. There is no doubt that if the majority of the farmers would strip their abaca the receipts from this product would exceed that of the previous years by one-third. Such was the hope of the farmers, but the enormous fall in the price of this fiber was a disappointment to all. Very few of the landowners strip their abaca, as what they get for it in the market scarcely compensates them.

The tobacco crop of Palo, Alangalang, and Jaro was fair, but the production of coffee and cacao was insignificant.

Scarcely 15 per cent of the rice output was harvested, owing to the want of work cattle and an irrigation system. In Barugo some 7,000 hectares were planted, and in Carigara two-thirds of the rice lands were put under cultivation, but the typhoon of January, 1907, destroyed them and only an insignificant quantity was harvested. In some pueblos a considerable quantity of maize and various tubers was harvested.

INDUSTRY.

There are 5 abaca presses operated by steam power, 4 at Tacloban and 1 at Malitbog; their daily output being approximately something over 200 bales.

There are 4 abaca presses operated by animal power, in the pueblos of Carigara, Ormoc, Baybay, and Palompon.

There is a sawmill at Tacloban, with an annual gross income of ₱15,000 and a consumption of 75,000 cubic feet of lumber per annum.

At Malitbog there is a factory of aerated waters for local consumption.

There are a few scattered factories engaged on a small scale in the weaving of sinamay cloth from the abaca fiber and in the making of pina cloth, mata, rattan chairs, and pottery.

COMMERCE.

A serious financial crisis has been noticed and, owing to the fall in the prices of abaca and copra, some merchants ceased operations and some Chinese dealers closed their shops. The only firms continuing to buy abaca and copra are, on this coast, the Tabacalera, Sontua, Ortega, and Lim-Pangco, and on the other coast, Muertegui, Artadi, and Escañu.

The principal articles of exportation, abaca and copra, have suffered fluctuations in their prices, especially the former. The average prices paid are ₱19 per picul for the former and ₱6 per picul for the latter. The principal articles of importation are rice, petroleum, cloth, salt, Tanduay vino, and gin. The importations during the entire year are estimated to have been as follows: 347,197 piculs of rice, 15,000 cases of petroleum, 10,000 arrobas of Tanduay vino, some 2,000 cases of gin, and a considerable quantity of cloth. The exportations consisted of 251,577 piculs of abaca and 10,991 piculs of copra.

PUBLIC INSTRUCTION.

During the year 25 schoolhouses were built in various barrios, and country schools were constructed at Carigara and Jaro.

The school attendance of children of both sexes in June, 1906, exceeded that of June, 1905, by 2,000, and the progress made in education is becoming more and more notable.

There are in the province 25 American, 21 Filipino Insular, and 215 Filipino municipal teachers; also 34 Filipino aspirants—a total of 291.

The following table shows the receipts and expenditures of school funds. I respectfully suggest the advisability of passing an act providing for an increase of the municipal school funds for the purpose of increasing the salaries of the teachers and the establishment of additional schools. It is an ever-increasing provincial school funds, to be used for the construction, equipment, and maintenance of provincial schools.

FINANCES.

The revenues accruing to the general funds during the fiscal year amounted to the sum of ₱117,560.12. The expenditures were for various purposes, as follows:^a

The amount set aside for public works during the fiscal year was ₱110,200.00, out of which expenditures were made as follows:^b

FORESTRY AND MINES.

The mountains of Tacloban, Babatngon, Abuyog, and Palompon give an abundance of forestry products. The forests of Tacloban and Babatngon are the only ones exploited, and the bulk of the lumber taken from them is sold to the sawmill of the provincial capital.

Sulphur and gypsum mines are known to exist at Naval, gypsum mines at Barugo, and sulphur mines at Burawen and Caybiran. They are still unexploited.

NONCHRISTIAN TRIBES.

No non-Christian tribes exist in the province.

PUBLIC HEALTH.

In July and August some suspicious cases, supposed to be cholera, appeared at Carigara, attributed by the natives to the change in the monsoon, but the disease did not assume alarming proportions. Generally speaking, public health is good, and active measures against smallpox are being taken by the district physicians in accordance with the instructions of the health officer.

Respectfully submitted.

FRANCISCO ENAGE,
Governor of the Province of Leyte.

The GOVERNOR-GENERAL.

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

^b This table has been omitted and filed in the Bureau of Insular Affairs, War Department.

REPORT OF THE GOVERNOR OF MINDORO.

OFFICE OF THE GOVERNOR, PROVINCE OF MINDORO,
Calapan, March 31, 1908.

SIR: I have the honor to submit the following report covering the period from July 1, 1907, to March 31, 1908, the date of my relief from duty:

I have made numerous inspections of the entire province, and from personal observations can testify that, all in all, the year has been a prosperous one.

If the people of Mindoro would confine their planting to hemp and cocoanuts, they would always have more than enough money to buy all the rice needed, and clothe themselves comfortably.

A great many applications have been made for homesteads, but it is worthy of note that by far the greater number of applicants are from Marinduque and Batangas. The native of Mindoro has made his *caingin* for centuries—here to-day and there to-morrow. The *caingin* in the public forest is forbidden by law, but with but one forest official to three provinces, and presidents and councilors who probably furnish the seed (for which they get no less than half the crop), the enforcement of the law is another matter. As everyone must know who has the slightest acquaintance with him, the average Filipino does not look ahead as far as his breakfast next morning—hence he can not see that the time is soon coming when there will be no place left for his *caingin*, and he will find himself without land or home. Unless he soon wakes up he will be driven to the mountains a *la Mangyan*.

While a great part of the failure to take advantage of the homestead law is due to ignorance of the law—and his more enlightened brothers will never tell him—a large share is due to downright laziness. Land of his own would require plowing, while all that is necessary for the *caingin* is a very little cutting and a match. The seed is sown in the ashes and God does the rest. If God fails him, he can get all sorts of foodstuffs from trees and roots close by and fish from every stream.

I have tried most faithfully for more than six years "to open the eyes" of these poor, ignorant people, but if there has been much improvement my own eyes need attention, for I fail to see it. Just when you think "you've got him" along comes one of his own *inteligentes* and in a very few minutes proves (?) that all you have said is false, a "broma."

Prior to the latter part of last July these people were planting hemp and cocoanuts, and gave me every evidence that they were beginning to see, when along come candidates for election to the Assembly—men who do not live in the province nor pay one cent of taxes therein—who tell them all sorts of things against the authorities that be, and that their only relief from their "mortal opresión" is to elect him, the speaker, to the Assembly.

It matters not that these "saviours of their oppressed brethren" were not qualified by law, or that one of them was found guilty by two courts of law of various assortments of theft—his victim a poor, ignorant widow with several minor children—and disqualified by those courts from practicing his profession, a profession that should be one of the most honorable. The average Filipino will sell his last shirt to employ a lawyer. He has a most exalted opinion of that profession, and too much care can not be exercised by the government in granting licenses to practice.

Their poor dupes are now doing nothing but waiting for the independence which was promised them for last December (whether as a Christmas gift or not was not said), when they will no longer have to pay taxes.

As one who knows the Filipino as well as it is possible for anyone to know him, and one who is a sincere friend and wellwisher, I can only say, God have mercy on the poor Filipino when he gets his much wanted, but not understood, independence.

Mindoro had absolute self-government for more than three years, and I defy darkest Africa to show a record of more fiendish murders than took place during that period, and under the very orders of that government. "A History of Mindoro under Filipino Rule" has already been written in the records of the court of first instance of this province, 1902-1904, and written in the exact words of the ones who made the history.

There have been put in throughout the province by the provincial government 27 driven wells in all the towns and larger barrios. While enough time has not elapsed to make a fair estimate of the effect thereof on the public health, still I do not think there can be any doubt as to the result. While it is only possible that the water is of the very best, the average depth being

about 5 feet. They at least have a well that can not be used as a public lavatory nor into which dirty business carts can, etc. be dumped.

The new provincial jail has been completed at a cost of \$10,000 and is now occupied. The Calapan-Maria road on the island of Masbate is now open and work will begin shortly on a road from Calapan to Maria which it is said that most of the hemp now shipped to Manila from Maria for the natives and thence to Manila will come to Calapan. The revenue of the post and telegraph Calapan now boasts of about 20 carriages and as many wheelbarrows. They have much to boast of, but just that many more than they had before the jail was constructed.

A good trail from Abra de Ylag to Mansabao is a necessity and should be begun at an early date.

The provincial board should have control of the telephone lines in the province. The provincial government built a telephone line from Pinalatayan to within 4 miles of Abra de Ylag in 1902 at a distance of about 40 miles and kept it working. Since the constabulary, and later the bureau of posts took over the lines not an inch has it been extended, nor is it ever working when seriously needed. Year after year there are and always will be a few dollars quents in the payment of the road and public works tax in each town. Too few for road construction, but enough to put in a few miles of telephone line. It is earnestly recommended that the provincial government be given control of its own lines, when a line would soon be in working order around the entire island, and several thousand pesos, now paid for the hire of steamers, would be saved annually. Important information is very often necessary from some distant town, to obtain which now necessitates a steamer at a cost of \$100 or more per day.

If the bureau of posts would furnish the wire and maintain the provincial government could construct and maintain the line without cost to the taxpayers.

In my annual report for 1905 I recommended that fisheries be regulated by the general government, the fees to be considered as internal revenue, but to revert to the town where collected. Although this has been disapproved on the ground that it is the policy of the government to grant all the local autonomy possible, I renew that recommendation and add, "that all taxes of whatever description be collected by the provincial treasurer, or his authorized deputies." Then, and only then, will the poor ignorant native get justice. The councils are authorized to impose certain local taxes and fees for various privileges, and this they proceed to do at once, and collect the fees whether the man gets his privilege or not. It is the poor too who pays nearly all the local taxes, and he it is without doubt who pays the illegal ones. The intelligent knows an illegal tax when he sees it, and the local powers do not bother him.

When the tax has been taxed and fined beyond the patience of a job and an early protest is expected, every man in the neighborhood is called in to the presidencia to sign a petition praying for the suspension of the property tax, the road and public works tax, etc., which are held up to him as the cause of all his troubles. If ever a petition for the suspension of a purely municipal tax, imposed by the council, has been received by any authorities of these islands, I will gladly pay a good round sum for a copy of same, to add to my collection of curios.

The average "principal," unless he is at odds with the powers that be, pays only such taxes as it is the duty of the provincial treasurer to see that he does pay. The provincial treasurer knows whether or not the town has a school, slaughterhouse, etc., for the use of which a fee is imposed, but he can not know that many pay for the privilege that do not get it, that people pay heavy tolls for crossing a river in their own boats, furnishing their own oars. It is here, under my very nose, I have discovered by the most accident of meeting some men taking their goods to market from Calapan to a distant place, I pay for the privilege of carrying their own goods at their own risk, because the town has no legal slaughterhouse. How is any government going to protect a man against himself?

It is apparently impossible that we must make an effort. The powers are given the municipal council a veto over anything the condition. Indeed, the municipal government is not as the mayor of it will. There were in fact a few months since the province of a committee of 10 men and the municipal council are to be a part of it, but their efforts have been in vain and are now useless.

I have seen a number of the petition for exemption giving the name of the person who has been exempted. They are then sent to the provincial treasurer and the provincial treasurer is to give a receipt for them. The powers are to be given to the provincial treasurer to give a receipt for them.

I have had printed and posted in every conspicuous place notices advising the people just what persons are authorized to collect taxes from them, and if they pay to others they do so at their peril. But the same fear that made them pay in the first place will probably prevent their heeding the advice. The general government, for its own good name, must protect them, but it never can so long as the council can impose taxes dependent upon local authorities for collection.

It is recommended that a councilor be recognized by law as a public official. He is now recognized as such only when actually performing the functions of the office; that is, when the council is in session. If so recognized at all times he could be severely dealt with for collecting taxes, etc., under article 213 of the penal code. He does not appear to be much in need of the change for his own protection.

Article 567 of the penal code should be revoked or, for the sake of justice to all, be amended. It is difficult to see why a relative can rob you "with no criminality attached thereto," while his unfortunate companions in crime, who do not happen to be relatives, go to prison. I have had a case before me in which there is evidence that a son-in-law (who abandoned his wife long ago) makes periodical visits to the home of his mother-in-law and wife and takes what cattle they have acquired since his last visit. So far the cattle have been taken by proper authorities and returned to the rightful owner, but the thief goes unpunished. Old Dame Justice must have been more than blindfolded when the penal code of these islands was written. I think this law is probably responsible for the immense number of "poor relations" every prominent Filipino has saddled upon him.

It is recommended that section 27 of Act No. 1627 be amended in its last paragraph to read, "No fee shall be collected from townships organized under Act 1397, nor shall justices of the peace, ex officio, collect any fees whatever." A justice has no authority to waive the fee, but if he does so, he is liable to have to make it good or be suspected of graft. It is the poor man who is more in need of justice in these islands than the intelligent, and it is to the provincial governor that he comes, and should come, with his protest. His family are in far greater need of the ₱3 fee which is required to be deposited in a civil case (most of his complaints concern some land taken away from him, or a debt) than the government; and the governor-justice, ex officio (if worthy his title), settles the case without costs. With no fees to collect, he is not liable to be called upon to pay for a charitable act, nor can he be suspicioned of pocketing the fees and noting on the register, "no costs."

The government should provide food and shelter for witnesses. They are dragged away from their homes to testify for or against an accused (and it seems that the witnesses are always the best people the town has, for they invariably give their occupation as "laborer") and a great many of them arrive at the provincial capital absolutely penniless, depending upon charity for their subsistence during court. Under such circumstances it is remarkable to me that we can get witnesses of any crime.

In concluding this, my last report, I consider it a duty to state that I am a sincere friend and wellwisher of the Filipino, and any and all my criticisms of him are made in good faith, to remedy an evil—never for the sake of fault-finding. He has some beautiful traits, and many bad ones, for which he should not be held to be the author. He is but a child in many, many things, and should be so considered, and handled.

Respectfully submitted.

R. S. OFFLEY,
Captain, Thirtieth U. S. Infantry,
Governor of the Province of Mindoro.

The GOVERNOR-GENERAL.

Supplemental Report of the Governor of Mindoro.

OFFICE OF THE GOVERNOR,
PROVINCE OF MINDORO,
Calapan, Mindoro, July 15, 1908.

SIR: In accordance with the provisions of Act No. 1044 of the Philippine Commission, I have the honor to submit the following annual report for the fiscal year ended June 30, 1908.

ADMINISTRATION AND PROGRESS OF THE PROVINCIAL GOVERNMENT.

The closing months of the last fiscal year witnessed a complete change in the personnel of the provincial board of Mindoro. Upon assuming the office of governor, I immediately encountered a most vexing question as to the status of the various political entities of the province.

Act No. 500 required the provincial board of Mindoro, immediately after its organization, to proceed with the organization of all the pueblos of the province, which had, in their opinion, sufficient Christian or civilized population to warrant the maintenance of a municipal government therein, and to render a report to the governor-general of the organization affected. That report in the form required by Act No. 500 was never rendered, and the original organization of municipal governments in the province was faulty and illegal.

Act No. 1280 reduced the number of municipalities from 15 to 8.

Later, the provincial board, with the approval of the Secretary of the Interior, further reduced the municipalities or townships from 8 to 4, and organized 18 aldeas or settlements.

In the meantime section 28F of Act No. 1396 has repealed Act No. 500, and it is no longer within the power of the provincial board to effect the organization contemplated by Act No. 500.

The auditor questions the right of the provincial board with the approval of the secretary of the interior to divide townships into aldeas to the extinction of the townships recognized by the Commission.

Act No. 1582, section 2, paragraph 7, makes the election law applicable to 8 townships of Mindoro. Only 4 of those townships, if any, exist as townships to-day.

Resolution Nq. 95 current series of the provincial board, now in the hands of the executive secretary, outlines a reorganization of the province, and I recommend prompt remedial legislation by the Philippine Commission. The affairs of the province will be administered under present conditions until the necessary legislation is enacted.

In the election of a delegate to the Philippine Assembly from this province 612 votes were cast. The Christian population is estimated at 39,784.

This is not in accordance with the expressed intent of the election law that representation in the Assembly should be in the ratio of 1 for every 90,000 of population, and 1 for each additional major fraction thereof.

I am not opposed to a member of the Philippine Assembly to represent the Christian population of these special provinces, to voice their needs and speak in their behalf. It is a splendid check on a too autocratic administration of such provinces by provincial officials. But I do question the justice of such a delegate having an equal vote with a member representing a bona fide population of 90,000 or more.

I recommend the limiting of such delegates from non-Christian provinces to a seat in the Assembly and a right to the floor, but not the right to vote.

In this connection the fact that Mindoro is represented at present by one of the most active, able, and influential delegates in the Assembly should not count. The question is, should a man elected from a sparsely settled community, where but 612 votes were cast for all candidates, have an equal voice in legislation for the Philippine people with one who actually represents 90,000 bona fide population?

FINANCES.

The province is not self-sustaining financially, but is dependent upon the yearly appropriation act of the insular government, and it will be difficult to make it so until more taxpayers are attracted thereto. Meanwhile the most possible is being done with the means available to sustain government and pave the way for better things financially.⁶

NATURAL RESOURCES.

In a country containing so great a percentage of virgin territory as does Mindoro one naturally expects to find extensive natural resources, and although many of the reports which have been circulated have been more optimistic than the truth warrants, it still remains a fact that the mineral, agricultural, and forestal wealth of the island hold great promise for the future.

⁶ The financial statement has been omitted, and is on file in the Bureau of Insular Affairs, War Department.

MINERALS.

Mindoro, long the field for those in search of the precious metal, gold, is beginning to yield her share. The Binabay River, the extreme right branch of the Baco, gives brightest promise. Many claims have been staked along its course and, of the lonely prospectors who have worked upon this stream, some have taken out sufficient to make fair wages, while others have not been so successful. Nuggets of gold one-half of an inch in diameter are not uncommon. It seems likely that the application of hydraulic power to these places will yield excellent profits. Gold has also been reported from the headwaters of the Bongabon and the Magasawantubig rivers.

In the low mountain region just north and west of Bulalacao, Mindoro, a fair grade of bituminous coal has been found to occur quite generally. Many claims to have been taken up in this vicinity, and should the coal prove to be of good quality it is sufficiently near the sheltered harbor of Bulalacao to be transported over the level river valley to the beach at that place and sold at a profit. There is sufficient timber of good grade upon nearby hills for the development of these mines.

White marble was reported from the mountain region northwest of Mount Italcon by ex-Governor Offley. Slate and signs of coal have been seen around the headwaters of the Pagbaban and other rivers on the west coast.

At best any statement regarding mineral resources must at present be largely speculative. The gold and coal, however, offer promise for future development. Other minerals found here, the extent of the deposits of which is as yet unknown, are copper, gypsum, guano, sulphur, and alum.

AGRICULTURE.

As to agricultural possibilities no such uncertainty exists, for enough crops have already been planted and harvested at different points in the island to show conclusively that there is opportunity for wonderful agricultural development.

For a clear understanding of these resources one should study the rainfall distribution. Extending through the island approximately from north to south is a high mountain range. This shuts off all possibility of dry-season rains from the west coast, thus giving to that side a very distinct wet and dry season. On the other hand, it stops what moisture passes over Luzon and the Verde Island channel during the northeast monsoon, giving the east coast considerable rainfall during the normal dry season. It likewise checks the heavy rains from the southeast monsoon, making the east coast wet season less pronounced.

The following tables of rainfall on both the east and the west coasts bring out clearly the contrast between the two places.^a

The evenly distributed rainfall makes the east and north coast, with its broad and marvelously rich coastal plain and low hills, a veritable garden spot. Hemp grown here matures in two and one-half years when properly cared for and is of so good a quality as to regularly top the Manila market. Cocoanuts do equally well, while cacao, corn, rice, and other crops grow splendidly.

The west coast, with its drier season, is not adapted for hemp, but produces excellent rice, corn, cocoanuts, and maguey. Inland along the grassy mountain slopes and valleys are large areas of excellent grazing land. Even in the present undeveloped state of Mindoro there are several good-sized herds of cattle, that on the San José friar estate containing over 2,000 head. As yet, however, the greater part of this land is unoccupied.

Taking all in all Mindoro to-day offers many advantages to the farmer. Abundant virgin land, a well-distributed rainfall, the markets of Manila within twelve hours by steamer, and a standard crop of the finest quality make a combination hard to excel.

FORESTRY.

The great forest wealth of Mindoro has long been a recognized fact, not only in the wonderful fairy tales of the casual observer, but as well by the actual output of the lumberman.

In the distribution of forested areas rainfall is an important factor. On the dry slopes southwest of the main central mountain chain grass lands occupy by far the largest percentage of the land. The timber that is found in these parts

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

is usually along the coast, on the banks of streams, on the higher mountain slopes near the central divide, or in specially favored places. The grade of timber here, however, is good, such species as acle, dungon, molave, calantas, narra, supa, and ebony being found, while woods of lower grades also occur. On the eastern and northern portion of Mindoro, with its more humid air, the whole territory is normally wooded, although agricultural development has resulted in the clearing away of large areas near the main towns. However, immense untouched forests still remain.

On the low alluvial plains back from the east coast is a fair grade of timber containing guijo, apitong, calumpit, lauan, amuguis, narra, etc. It is from these areas that most of the timber sold in the Manila market has come. From this class of forest a yield of about 8,000 feet b. m. per acre of merchantable species may reasonably be expected unless the land has already been cut over.

But far more extensive, of better grade, and in more nearly virgin condition are the dipterocarp forests of the interior hill and lower mountain slope region. Here tanguile, apitong, almon, lauan, yacal, baticuling, mayapis, malugay, and many other species abound. On an area of about 40 square miles southwest of Lake Naujan a yield of over 20,000 feet b. m. per acre was found of the first four-named species alone. Less detailed examination in other places indicate that this yield is not exceptional. It is in this area where heavy stands and good grade of timber occur, and where slopes are comparatively gentle, that the greatest possibilities for exploitation are presented. It is here that large lumber companies operating with modern machinery will find conditions best suited to their class of work.

To be more explicit, the best dipterocarp forests are on the hills and mountains southwest from Lake Naujan and around the upper waters of the Magasaung-tubig, Baco, Alag, and Subaan rivers. In any one of these places stands of from 15,000 feet b. m. and upward occur. From all of them transportation to the beach is over level land where a tramway could easily be laid. In most of the places the grades in the forests are sufficiently moderate to admit of easy logging. These locations are hardly suitable for exploitation by native methods, a more expensive equipment being required to assure good profits.

When one considers that, in addition to the coast forests, which alone have given to Mindoro the reputation of being one of the best of the timber producing provinces of the Philippines, there are large areas of land covered with much better and denser growth, he must realize that the future of the lumber industry of Mindoro rests upon a firm basis.

Of minor importance are the mangrove swamps, extensive areas of which are found near Baco, Pola, Bongabon, Carugay, Mangarin, and other rivers. These mangrove swamps yield firewood, tanbark, and dye bark. Profitable returns from the exploitation of these products in other tropical countries, notably Borneo, promise well for the success of one who would undertake their development here.

In addition to those mentioned there are many resources of less extent. Countless trees of buri palm near the coast afford a limitless supply for the profitable manufacture of sugar, hats, mats, baskets, etc. Nipa swamps abound. Almaciga beeswax, gogo vine, pill resin, and jagnaya or dillman are a few of the other natural products which may be had in quantity.

Mindoro to-day, with her immense forest wealth, her agricultural possibilities, and her mining prospects, to say nothing of the lesser resources, located within a day's journey of the central market of the Philippines, is bound to take her place among the wealthy provinces of the future.

PUBLIC INSTRUCTION.

Systematic work and progress in the schools of Mindoro have been hampered and obstructed by a lack of a sufficient American teaching force at the start, lack of means of transportation, and tentative redistricting of the province after a start had been made. Formerly there were 8 townships in the province. A reorganization was effected whereby 4 were abolished outright and 2 more were so shorn of their barrios as to make the school funds available in them merely a matter of conjecture.

The reorganization showed 4 townships and 18 settlements. The original 8 townships had been able to make reasonable provisions for schools, but of the 18 settlements now formed it is estimated that but 6 will be able to pay teachers' salaries, and none more than this. The repeal of Act No. 500 has taken out of the jurisdiction of the provincial board the reorganization con-

templated and necessary. Until the Commission does so, the province must support these settlements, with nothing in sight for the schools.

The provincial board has made adequate provision for the provincial school and for the settlement schools at Concepción and Abra de Ilog.

In order not to lose another year in the progress of the schools of Mindoro it is recommended that assistance for the maintenance of educational work among the Christian population of Mindoro be given by the bureau of education as follows:

(1) Salaries for teachers in schools now open.....	₱2, 040
(2) Salaries for additional teachers.....	540
(3) School furniture.....	1, 125
(4) Repair of school buildings.....	2, 500
(5) Assistance to Lubang and Pinamalayan.....	1, 600
(6) Buildings.....	2, 160
Total.....	9, 965

Sufficient funds and authority for this help exist.

Tables showing the following information have been omitted and filed in the Bureau of Insular Affairs:

- Number of pupils by grades.
- Relation of population to attendance.
- Filipino teachers' average monthly salaries.
- Number and kinds of schools, by districts.

NONCHRISTIAN TRIBES.

The interior of Mindoro is occupied by the Mangyanes, a pagan tribe, estimated to consist of about 10,000 people. They are peaceful and timid, their worst offense against the march of progress here being their habit of burning tracts of virgin forest to plant their crops in the ashes. They are regularly exploited by the people from the coast, who trade them a handful of salt or a piece of cloth for bancas, beeswax, and other produce of considerable value. The men wear breech clouts and the women cover their chests with the bark of trees and wear breech clouts of bark or cloth.

Eight small settlements have been established, and an effort is being made to make them adopt permanent habitations.

School work has been started among them at Bangabay, Ti-I, and Calamintao, where they are being taught the preparation of materials for, and construction of, their homes, farming, sewing, and weaving.

If the statement I have heard from several sources is true, that the custom prevails among them of burying alive their children born in the rainy season, and all children in excess of the number they feel they are able to support, the road ahead of them toward civilization is a long one.

One arm ornament, secured from one of the tribes near Bulalacao, was covered with writing of the ancient rudimentary aboriginal character, instead of the Roman, indicating that a written language existed among them prior to the coming of the Spaniards and still survives. The writing was in ancient Tagalog, and translated was a petition of the wearer to a father in the tribe asking permission to take his daughter to him and keep her with him wherever he might go.

COMMERCE.

The principal exports are hemp, cocoanuts, copra, and lumber. In 1907, 78,000 piculs of hemp were exported and sold at from ₱26 to ₱27 a picul. This year the low price of hemp has discouraged growers, and the output will be much less. Export figures of lumber, cocoanuts, and copra are not available.

The principal imports, almost all from Manila, are rice, cloth, and small necessities of life found in Chino and native tiendas in all small provincial towns.

AGRICULTURE.

Mindoro does not produce enough rice for home consumption, Naujan and Lubang being the only townships that do not import it.

The crop reports show that during the year just closed the province produced 49,931 cavans of rice, 4,701 piculs of hemp, 10,800 pounds of tobacco, 169,789 cocoanuts, 131 cavans of cacao, 430 cavans of corn, 52,340 nipas, ₱500

worth of dilliman, 298,500 bejucos, 4,700 rolls of buri, 35,626 niques for dye purposes, 18,966 rajas of wood, 82,362 cubic feet of lumber, and 18 gantas of coffee. There were planted 47,798 new coconut trees, and 349,175 hemp, 4,831 cacao, and 1,448 coffee plants.

Rinderpest has destroyed many cattle in Lubang during the past year, but the records of the office fail to show how many.

INDUSTRY AND MANUFACTURE.

The province is dedicated to agriculture, lumbering, and mining rather than to manufactures. There are three mills in operation, and the people of the coast towns weave hats and baskets of the buri leaf.

HEALTH AND SANITATION.

There are no data available here for a report on this subject.

Cholera did considerable damage in Lubang. A file telegram shows 23 new cases in one day last February. There were 407 deaths from all causes in the province during the past year. I recently recommended to the director of health that Mindoro be made a district by itself and that a cirujano ministrante be made provincial or district health officer. One American, an ex-hospital steward of the United States Army, offered to take the position for the proportionate amount now paid by Mindoro toward the support of a health officer who lives and works elsewhere, but under existing law the appointment can not be made, as a district health officer must be a registered physician. Some better arrangement for Mindoro than the existing one should be made.

POLITICAL CONDITIONS.

The province is quiet and peaceful. Several assaults and robberies have been committed since I came here, but in each case the offenses were committed by barrio people and not by organized bands of ladrones. The offenders for the most part have been arrested and bound over to the court of first instance for trial.

Very respectfully,

LOUIS J. VAN SCHAIK,

Acting Governor of the Province of Mindoro.

The EXECUTIVE SECRETARY,

Manila, P. I.

REPORT OF THE GOVERNOR OF MISAMIS.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF MISAMIS,
Cagayan, July 12, 1908.

SIR: I have the honor to submit herewith my report for the fiscal year ended June 30, 1908.

ROADS.

The road funds of the province have always been requested by the municipalities, each of which wishes to be given the preference in the construction of roads and bridges. The distribution of such funds was repeatedly requested, but was impracticable, and the only thing done was to allot different amounts for bridges which urgently required repairs.

In view of the fact that the funds on hand were not considered sufficient to construct the roads in a solid or permanent manner, the provincial board decided to employ the greater part of them in the construction of two concrete bridges in Anito and Balbagon, in the municipality of Mambajao, and of two iron bridges in Aloran and Pines, in the municipality of Oroquieta, the cost being estimated at ₱40,900. The two concrete bridges in Mambajao, work on which was commenced in February or March this year, are now finished. The two iron ones have already been ordered.

The road from Licoan to the Cagayan dock, more than a mile in length, has been improved. Two permanent section men will be employed to attend to its conservation.

There have been appropriated for the road from Tagoloan to Cagayan, approximately 14 miles in length, ₱44,000, in which are included ₱14,500 of the funds appropriated by Act No. 1688. Work began May 9, 1908, under the direction of the district engineer, with two American foremen. It will be of a durable type, with 29 concrete bridges to be constructed in place of nearly all those of wooden materials.

When this work is finished, work will immediately commence on the mountain road from Misamis to Langaran, as the new funds will then be available.

Before January of this year the road from Misamis to Tudela was in such deplorable condition that it was absolutely impossible to travel on it, and the inhabitants had to make their trips on the beach at low tide, or on paths, or by crossing the fields. It had not been repaired for many years. To remedy the bad condition of this road, all the people of the town and of the barrios came spontaneously to work to repair it, not leaving until they had put it into serviceable condition. They are still working on it one day a week. This road is about 14 miles long.

The inhabitants are not opposed to working voluntarily for the common welfare. All who are able repair and clean the roads, streets, bridges, etc., and in many towns and barrios when there are no municipal funds available they have built schoolhouses by voluntary labor.

The road from Jimenez to Oroquieta, also some 14 miles in length, also requires repairs. It is in relatively better condition than the Misamis road, because the municipality of Oroquieta has been attending to its maintenance, employing some ₱900 for this purpose during the past year.

In the provincial jail of this capital reinforced concrete pipes for streets and roads are manufactured. Many of them have already been employed on the Cagayan-Tagoloan road, and they will be furnished to municipalities as well as to private parties at cost price.

DOUBLE CEDULA.

The adoption of the double personal cedula in this province was received with displeasure in the towns, especially in those in which scarcely any improvements have been made by the provincial government. The provincial governor and the delegates have had to explain the reason for its adoption, and they were satisfied.

PUBLIC LIGHTING.

The towns of Mambajao, Oroquieta, and Cagayan are the only ones having public lights. Oroquieta has American street lamps which give powerful light, and the other two have ordinary street and table lamps. The lamps which are used in Cagayan were bought by the people at their own expense and were later turned over to the municipality. The municipality of Mambajao is considering a plan for electric lighting.

PUBLIC ORDER.

Excepting the differences and questions arising between Catholics and Aglipayans in Mambajao, Tagoloan, and Misamis, the entire province has been tranquil and pacific. The most important of the occurrences arising from these differences were the following: The assault committed by the Aglipayan clergyman, Father Cornelio, Agcaoil, on the person of the Jesuit father, Matias Roure, the former being sentenced by the court of first instance to four months' imprisonment, from which sentence he appealed to the supreme court, where the cause is still pending; the burning of the church in the barrio of Tedula, municipality of Misamis, imputed to two Aglipayans, who are now in the hands of the courts, and because of the same act the municipal president and one councilor are suspended from office and are being subjected to a governmental investigation for neglect of their official duties; and the robbery of the clappers from three bells of the Mambajao church and the damage wrought on a harmonium, for which six individuals belonging to the Aglipayan communion have been arrested and placed at the disposition of the court.

FIRE DEPARTMENT.

Fire companies have been organized in the municipalities, which have voted the sums necessary for the purchase of the apparatus required, the municipalities of Mambajao and Cagayan already having them complete.

AGRICULTURE.

With respect to abaca and cocoanuts, agriculture has improved notably in this province, because the plantations have not, as in former years, suffered from drought. Abaca plantations are in an unprecedented condition, and the area of land cultivated has increased considerably. But, if the view of so many plantations which are teeming in development causes hope, the persistent fall in the price of this important product produces dismay and desperation. Since the month of September, 1907, it has been seriously falling, and while in the markets of Manila and Cebu the price of the lower grade did not fall below ₱8, in the towns of this province local merchants were paying only ₱6. If this price continues for some time, it may be said with certainty that total ruin has about arrived for these small farmers, who, hoping for better prices, have not yet harvested their abaca.

In some towns, as those in the island of Camiguin, which, as is known, is essentially a producer of abaca, they are making the greatest efforts to secure a superior product which shall be classified in the market as high as Leyte abaca. To this end producers have agreed not to permit their laborers to make it otherwise, and the first months of this year it has been noted with satisfaction that the abaca stripped is white, fine, and bright.

In other towns this effort has met with difficulties which have made it impossible to secure the improvement desired, at least for the present. The Chinese merchants, who continue buying abaca of the worst class, constitute the greatest of these difficulties. Producers greatly desire to improve the product, convinced of its advisability from every point of view; but on seeing the insignificant difference in price which the merchants offer for white abaca and for the colored, and taking into account the waste which the careful stripping of the former causes in time and material compared with the larger amount of colored abaca which they obtain with less time and work, in addition to the urgent necessity which proprietor and laborer have of selling something in times like these, they reject the idea of such improvement for the present. If by good luck they do not have to wait long for a rise in price, improvement will become general throughout the province.

Cocoanut plantations continue to increase, and the inhabitants display zeal in planting the largest number of trees possible.

PALAY.

With the exception of Initao, which has only a little land prepared, all the other towns of the province produce this grain. Misamis, Langaran, Oroquieta, Balingasag, Cagayan, Jimenez, Mambajao, Gingoog, Tagoloan, and Talisayan is the order of the towns in respect to production. Langaran and Oroquieta obtained a good crop last year in comparison with that of the preceding year. The decrease in the crop in Misamis, Balingasag, Jimenez, Mambajao, and Gingoog is estimated at 50 per cent, and in the remaining towns the crop was almost nothing, owing to locusts and the lack of water and work animals.

The greater part of the area of irrigable land which was formerly planted in palay is not now cultivated because of the lack of the necessary carabaos to prepare it. The few work animals now available do twice as much or more as formerly.

The system of irrigation employed here, if it can be so called, is to bring the water from creeks by means of dams and open ditches, without employing any solid material which would make them permanent or durable, so that annual repairs are necessary.

All the towns cited do not have such an irrigation system, and in Cagayan, Tagoloan, and Talisayan the rice fields are, with small exception, prepared with rain water.

CORN.

Formerly the towns of Cagayan and Tagoloan were great corn producers; but now the greater part of their corn lands are utilized for cocoanuts, owing to the want of animals for plowing.

In the last six months, when imported rice became dear, corn was sold for as high as 15 centavos a ganta, or ₱4 a cavan.

Farmers and working people prefer it to any other grain for food.^a

^aA table showing the production of abaca, copra, palay, and corn has been omitted and is on file in the Bureau of Insular Affairs, War Department.

SUGAR.

In the barrio of Baliangao, municipality of Langaran, there is a planter engaged in raising sugar cane and in making sugar with steam machinery, the output supplying the neighboring towns and provinces with sufficient sugar and sugar cakes for their ordinary consumption.

CACAO AND COFFEE.

There are few plantations, and the product is exported only when it exceeds the amount necessary for local consumption.

TOBACCO.

Tobacco is raised in smaller amounts than in other provinces, and a good, superior quality is produced in Medina, a barrio of the municipality of Talisayan, but the best method of curing it is unknown.

TREE COTTON.

There are many of these trees, called here *doldol*. The cotton is used here for filling pillows and mattresses only, and its importance as an article of commerce is already known.

BANANA, CAMOTE, AND PALAO.

There are many plantations of banana, camote, and palao, which supply the want of rice and corn. Other nutritious tubers of less importance, such as the ube, gabe, apale, and bagong are raised, the last named being used only in times of famine.

LOCUSTS.

One thousand four hundred cavans of hoppers have been killed, but it is impossible to kill those which fly, or at least no efficacious way of exterminating them is known. The damage caused by this plague is estimated at 10,000 cavans of corn.

RATS.

A little before harvest time an infinite number of rats came out of the earth and caused damage in the palay fields in various towns, greatly reducing the amount of the harvest, but fortunately the damage was not general, as the invasion was confined to the towns of the Misamis range.

COMMERCE.

Commerce is no better than last year, for although the amount of products exported has increased considerably the decline in prices and the monetary crisis have caused business to be very dull.

This increase consisted of 78,157 piculs of abacá and 56,062 of copra, respectively, above the production of the previous year.

These products are exported to Cebu and Manila.

The important importations were foreign rice, cloth, petroleum, and flour.

ECONOMICS.

The financial condition of the province and municipalities is prosperous. A respectable increase in the receipts, as compared with those of the preceding year, is noted. There was a decrease of more than ₱10,000 in expenditures.

The province of Misamis has no pending obligations to meet, but, on the other hand, the inhabitants are in a deplorable financial condition. Money resources are becoming scarcer, and all without exception are affected by it.

FINANCE.

As has been stated above, the condition of the public treasury is quite prosperous. An insignificant amount remains to be collected of the great sum which was due as the land tax of the years 1902 to 1906, owing to the energetic means employed to collect it. The double personal cedula has been adopted,

causing the increase in road funds. Expenditures have been reasonable and economical. All of the above are in comparative tables.^a

Municipal expenditures have been moderate and just, whereas formerly the greater part of the municipalities employed all their receipts on expenses of personnel. As the result of the recent passage of an act of the Philippine Commission, limiting such expenses, they now have funds for improvements.

PUBLIC INSTRUCTION.

Primary schools.—There are 78 schools in the province with 97 municipal and 11 Filipino insular teachers.

The following statement shows average enrollment and attendance in the several municipalities:

Municipalities.	Average percentage of attendance.	Average enrollment.	Average daily attendance.
Balingasag	79	139	110
Cagayan	88	639	545
El Salvador	79	605	484
Jimenez	79	258	33
Langaran	80	502	395
Mambajao	75	1,114	844
Misamis	78	113	79
Oroquieta	69	424	315
Tagoloan	71	222	172
Talisayan	69	323	223

^a El Salvador is a barrio of Cagayan.

Five new school buildings have been constructed, one of them by voluntary labor.

Intermediate schools.—There are two of these schools, one in Mambajao and the other in Oroquieta. The first has no building of its own, but one rented at the rate of ₱140 per year; the second has a large and spacious building ceded by the municipality with a piece of irrigable land. It was the old town hall, repaired and improved from municipal funds, but it still requires more expenditure to complete the work which remains to be done, and the municipality has no more funds for this purpose.

High school.—The present state of the fund which is being raised by means of a popular subscription to accumulate the ₱16,000 offered by the insular government for the purpose of constructing a high-school building in the capital of the province is satisfactory, and at present only ₱1,800 are lacking. The work of taking up the subscription is being pushed, and as a last resort the provincial board will cover the amount that may be lacking. The perfecting of the title to the land ceded by the municipality of Cagayan for the construction of said building is in the hands of the provincial fiscal.

The high school is located in two houses rented at the rate of ₱780 per year.

Attendance in this provincial school during the past year, classified by grades, was as follows:

Grade IV	39
Grade V	24
Grade VI	15
Grade VII	9
First year	5
Total	92

In the provincial school are classes in domestic science, sewing, and industrial work, the two latter being also in the intermediate and primary schools.

Industrial school.—The subscription opened in the municipality of Mambajao for the construction of an industrial school is terminated, ₱16,000 having been collected. Only ₱10,000 were needed to be added to another equal sum offered

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

by the government; and as the intermediate school, for its part, has no building of its own, as has already been stated, the people of Mambajao plan to increase the subscription to ₱20,000 in order to obtain an equal sum from the insular government for the purpose of using it all for the construction of both buildings. The title to the land destined for these buildings is being perfected.

INDUSTRIES.

Industries are reduced to the following:

Abacá stripping, the drying of copra, distillation of tuba, manufacture of salt, ice, jars, clay vessels, and lime, construction of wooden bejuco and bamboo furniture, barotos, and bancas, textiles of sinamay, sab-a, pineapple, and cantong, fish nets, fisheries, and others of little importance.

Various systems are employed to obtain the best abacá fiber. The principal are the primitive method of passing the prepared abacá strip over a more or less sharpened knife, and that adopted by the people of Leyte, which consists in passing it over an unsharpened piece of iron, the abacá strips previously prepared being placed on a level with a man's head. The abacá stripper invented by Mr. Vicente Reyes, of Mambajao, to which I referred in my report of last year, has given satisfactory results, as it greatly simplifies the work and increases the production. Registration of the caveat of this invention was allowed nearly one year ago. It is easily transported from place to place.

MANUFACTURES.

In Cagayan there is an ice factory belonging to Messrs. G. A. Kauffman & Co., with a 4-horsepower petroleum engine, and it produces 150 pounds of ice per day, which is sold at 4 centavos a pound. In connection with this factory there is a pump which supplies water to a few people, by means of iron pipes, on payment of ₱5 per month, and ₱7 if there are two faucets.

With the exception of this there is no other establishment important enough to be called a factory. However, if the manufacture of clay jars and vessels were in the hands of one or a few companies it would have some significance, as there is a sufficient number of them made to supply the whole province. These jars are made in two of the barrios of Cagayan, and almost all the people thereof are engaged, although not exclusively, in this industry.

Salt is also manufactured on a small scale by persons having land flooded by the sea.

NATURAL RESOURCES.

We repeat that this province ought to figure among the leaders in forestal and mineral wealth.

There are in abundance all classes of the superior woods excepting Magconó (iron wood) known in the archipelago for buildings, as well as for furniture and delicate objects. There are also in abundance medicinal trees and plants and oleaginous fruits and seeds.

The soil covers, if not all, the greater number of the important minerals. The existence of gold, platinum, iron, copper, mercury, aluminum, and coal has been verified. There are 43 mining claims entered.

According to reports, quite a quantity of sulphur of a superior quality has been collected in Camiguin. There are in the same island waters apparently gaseous, sulphurous, hot, and acidulated, near the volcano, which ought to be submitted to a scientific examination.

NONCHRISTIAN TRIBES.

There have been no non-Christian tribes under the administration of this province since an act of the Philippine Commission creating the province of Agusan and the subprovince of Bukidnon has been in effect.

POLITICAL CONDITIONS.

The election of delegates to the Philippine Assembly, as well as that of provincial and municipal officials, were held without disorder, and the people showed great enthusiasm and interest therein.

The election boards have endeavored to comply strictly with the provisions of the election law.

Many towns, now dependent on the present municipalities, insistently solicit their separation from the latter and the recognition of their independence as municipalities, alleging that in their present condition they are being completely neglected by the municipalities to which they belong, as no improvements are made in their poblaciones. The petitions have been returned to the petitioners for further information.

PUBLIC HEALTH AND SANITATION.

Up to January this year the health of the province has been unprecedented.

About the middle of that month some cases of a suspicious disease occurred in Loculan and Tudela (a barrio of the municipality of Misamis), which the people believed, from the symptoms, to be true Asiatic cholera, because of seeing symptoms apparently identical. It continued up to the end of last February, and caused 35 deaths.

A professional investigation of this disease having been made by the district health officer, who hastened there during its prevalence, it was seen that it did not have the characteristics of Asiatic cholera, but had been caused by undigested meals of kinilao (raw pork and chicken in vinegar, with spices and tuba), added to the fact that a few months previously there had been diseases of hogs and chickens, and that the disease appeared the very day of the Loculan fiesta, which was attended by many residents of Tudela.

From May 13 to June 5, 1908, similar cases and deaths occurred in the municipality of Initao and in the barrio of El Salvador, Cagayan, to wit, 35 cases and 12 deaths in Initao, and 22 cases and 8 deaths in El Salvador. It was also studied professionally with the result that the cause was found to be the eating of fish called "tuloy," a sardine having much blood and fat, in kinilao with tuba, on an empty stomach, this constituting a cause provocative of irritation and derangement of the digestive tract and provoking a gastro-intestinal development, the symptoms of which are vomiting and diarrhoea without cramps.

The fish tuloy appears at intervals and this year quite large quantities were caught at nearly all places on the coast of the province.

The same disease invaded the municipality of Balingasag, causing 332 cases and 95 deaths; but in the last victims the characteristics of Asiatic cholera were, apparently noted. Fortunately the disease was soon stamped out.

And, finally, identical cases occurred in this capital during the last days of June. In view of this repetition of invasions and the symptoms observed in Balingasag I believe that it must be a serious matter, and it will be submitted to a competent official for careful examination.

As to lepers, those who were in the municipality of Mambajao—that is, in the island of Camiguin, have been gathered together and sent to Cullon, but those in the remaining towns, to the number of 64, continue to menace public health.

As to the diseases which decimate cattle the reports received show the following ravages:

Carabaos died of rinderpest.....	769
Horses died of surra.....	756
Cattle died of rinderpest.....	10

RECOMMENDATIONS.

I recommend—

1. That more American teachers be sent as supervisors of the municipal schools. Many of the schools which were formerly under the supervision of such teachers are now without them, to the great detriment of public instruction.
2. The removal of the lepers from this province.
3. That the poblaciones of Solana and Pangayauan, regarded as rancherias of monteses, be not separated from the administration of this province, as they are inhabited by people who have been Christianized for a long time, and whose children are already perfectly habituated to civilized life, and as they have been considered barrios of Jasaan and Alubijid, respectively, since the time of the Spanish Government. Their topographical location is a reason meriting more attention, as they are situated on the beach or seacoast. If they were separated from the province of Misamis, the jurisdiction of this province would lack continuity.

4. That if it be possible the boundary line between the provinces of Moro, Agusan, and Misamis be definitely determined.

Respectfully submitted.

APOLINAR VELEZ,

Governor of the Province of Misamis.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF THE MORO PROVINCE.

OFFICE OF THE GOVERNOR, MORO PROVINCE,

Zamboanga, September 10, 1908.

SIR: I have the honor to submit my report for the government of the Moro Province for the fiscal year ended June 30, 1908.

The following tables embody the statistics of the office of the treasurer for the year. They show consecutively, (a) the disbursements of provincial funds for the year; (b) the revenues for the same period; (c) internal-revenue collections, insular and municipal; (d) customs receipts, by year, for the past five years, and the corresponding cost of collection; (e) increase and decrease in customs revenues, by ports, for the past fiscal year; (f) increase or decrease of provincial revenues, fiscal years 1907 and 1908; (g) deposits and withdrawals of funds not classed as provincial revenues, for the fiscal year; (h) financial condition of the Moro Province, June 30, 1908; (i) receipts, disbursements, and balances of municipalities; (k) increase and decrease of provincial revenues for the fiscal years 1907 and 1908.

FIFTH ANNUAL REPORT, TREASURER OF THE MORO PROVINCE.

Disbursements of provincial funds in the Moro Province during the fiscal year 1908.

	Moro Province.	District of—					Total.
		Zamboanga.	Sulu.	Davao.	Lanao.	Cotabato.	
Executive:							
Personnel	P10,392.12	P13,190.00	P14,247.41	P6,925.74	P8,441.98	P3,489.50	P56,686.75
Fund for governor....	657.42			780.00			1,437.42
Telegrams, postage, etc	960.60	402.00	228.00	40.00	481.64	121.00	2,233.24
Transportation and per diems	289.00	378.55	433.50	1,187.75	754.88	399.00	3,392.68
Miscellaneous	3,000.00	48.60			44.00		3,092.60
Information fund							
Total	15,299.14	14,019.15	14,908.91	8,888.49	9,722.50	4,009.50	66,842.69
Treasury:							
Personnel	16,400.00	10,677.07	5,299.66	6,319.96	5,302.97	3,954.00	47,958.66
Premium on bonds....	778.78						778.78
Telegrams, postage, etc	947.21		283.30	180.00	518.60	250.00	2,129.11
Transportation and per diems	3,000.00	1,246.02	126.00	629.14	146.00	88.15	5,236.31
Commissioners of Cedula, etc.		309.65	95.40	32.00	12.50	284.80	714.35
Miscellaneous			6.00	80.00			86.00
Total	21,125.99	12,282.74	5,810.36	7,171.10	5,980.07	4,556.95	66,877.21
Education:							
Personnel	10,440.00	38,507.88	5,297.34	8,808.31	3,798.32	4,660.04	66,501.89
Transportation and per diems	1,750.66	402.00	15.50	120.35		86.00	2,374.51
Telegrams, postage, etc	300.08						300.08
Rents		4,171.00	936.00	315.00	449.00	137.33	6,008.33
Construction and repairs		1,665.90		20.00		5.00	1,690.90
Supplies	8,221.34						8,221.34
Trade-school supplies		964.99					964.99
Miscellaneous	130.46						130.46
Total	15,842.54	40,711.77	6,248.84	9,258.66	4,242.82	4,888.37	81,192.50

Disbursements of provincial funds in the Moro Province during the fiscal year 1908—Continued.

	Moro Province.	District of—					
		Zamboanga.	Sulu.	Davao.	Lanao.	Cotabato.	Total.
Justice:							
Personnel	P16,677.65						P16,677.65
Miscellaneous	4,774.80		P2,897.66	P1,506.06	P2,156.56	P2,039.30	13,378.38
Calarian prison—							
Equipment	562.25						562.25
Maintenance	13,955.08						13,955.08
Total	35,959.78		2,897.66	1,506.06	2,156.56	2,039.30	44,558.86
Agriculture:							
San Ramon farm, personnel	10,309.51						10,309.51
Contingent	1,906.84						1,906.84
Total	12,216.35						12,216.85
Commerce:							
Moro Exchange, personnel		P6,092.21	890.00				6,982.21
Moro Exchange, construction, equipment, etc.		904.24	53.05			120.00	1,077.29
Subs. water transportation, personnel	1,760.00						1,760.00
Subs. water transportation, subsidies	73,924.13			2,489.97			76,414.10
Miscellaneous (S. W. T.)	122.19						122.19
Per diems (S. W. T.)	894.00						894.00
Total	76,700.32	6,996.45	943.05	2,489.97		120.00	87,249.79
Health:							
Personnel	3,848.62		470.00				4,318.62
Contingent	3,222.58						3,222.58
Total	7,071.20		470.00				7,541.20
Launches:							
Maintenance	1,853.52						1,853.52
Purchase of							
Total	1,853.52						1,853.52
Customs:							
Personnel		15,705.96	24,228.95				39,934.91
Refund to insular government	45,000.00						45,000.00
Miscellaneous		5,077.76	2,451.80				7,529.56
Rewards							
Total	45,000.00	20,783.72	26,680.75				92,464.47
District auditor:							
Personnel	2,519.99						2,519.99
Transportation and per diems	148.00						148.00
Miscellaneous	13.56						13.56
Total	2,681.55						2,681.55
Public works and supply:							
Personnel	14,816.29		545.30		800.00		16,161.59
Maintenance, junior engineer		1,830.00					1,830.00
Repairs of buildings and telegraph lines		4,277.02	283.03	123.65	212.00		4,845.70
Boats, wagons, transportation, freight	4,776.57		26.10	47.86	13.00		4,863.53
Purchase of boats, wagons, etc.							
Maintenance roads and bridges		15,402.39				599.50	16,001.89
Brick kilns, Cotabato						1,487.40	1,487.40
Wharves and mooring appliances	1,963.05						1,963.05

Disbursements of provincial funds in the Moro Province during the fiscal year 1908—Continued.

	Moro Province.	District of—					
		Zamboanga.	Sulu.	Davao.	Lanao.	Cotabato.	Total.
Public works and supply—Continued.							
Provincial, capitol, personnel	P2,120.82						P2,120.82
Contingent	1,064.10						1,064.10
Total	24,740.83	P21,509.41	P804.43	P171.51	P1,025.00	P2,066.90	50,838.06
Supply department, personnel	2,740.00						2,740.00
Purchase of supplies	43,486.57						43,486.57
Total	46,226.57						46,226.57
Miscellaneous:							
Rents	1,438.96		610.00		675.00	300.00	3,023.96
Transportation and per diems	432.47						432.47
Postage and telegrams	1,099.74						1,099.74
Total	2,971.19		610.00		675.00	300.00	4,556.19
Municipality of Cotabato: Donation for fire apparatus						500.00	500.00
Total						500.00	500.00
PUBLIC WORKS.							
Road fund		13,147.32				1,180.50	14,327.82
Iligan River revetment					19.60		19.60
Provincial building	23,415.28						23,415.28
Roads and bridges, Zamboanga		10,700.77					10,700.77
Extension provincial jail	1,689.68						1,689.68
Custom-house, Sitanki	2,253.77						2,253.77
Tank and trestle, Sitanki	200.00						200.00
School sites	3,000.00						3,000.00
Beach road and W. Davao				7,924.94			7,924.94
District building, Davao				199.83			199.83
Telegraph line, Digos to Bolton				19.75			19.75
Total	30,568.73	23,848.09		8,144.52	19.60	1,180.50	63,751.44
Grand total	\$38,246.71	140,101.33	59,374.00	37,625.31	23,816.06	19,681.52	618,844.92

Statement of revenues of the Moro Province for the fiscal year 1908.

PROVINCIAL RECEIPTS.

	Moro Province.	District of—					Total.
		Zamboanga.	Sulu.	Davao.	Lanao.	Cotabato.	
Land		P20,101.02	P2,296.96	P7,949.09	P2,179.53	P3,930.62	P36,457.21
Registration of property		569.50					569.50
Firearms permits		278.00	72.00	574.00	192.00	202.00	1,318.00
San Ramon farm products		12,308.90					12,308.90
Cedulas, Moro and non-Christian		4,970.00	3,898.00	3,819.00	1,602.00	8,033.00	22,317.00
Cedulas, Act No. 1189		11,197.00	1,675.00	7,647.00	3,382.00	1,143.00	24,944.00
Tribal ward court fines		253.01	171.50	247.50	30.00		704.01
Moro exchange collections		6,871.62	2,072.71				8,944.33
Provincial licenses		3,424.61	3,160.00	750.00			7,334.61
Miscellaneous	P400.02	337.34					737.36
Provincial fines		27.50	144.00			20.00	191.50
Road tax		15,631.00	1,920.00	15,612.50	3,105.00	1,830.00	38,098.50
Weights and measures		179.80				54.70	234.50
Internal revenues refunds	110,106.45						110,106.45
Sales Chinese tobacco			15,618.96				15,618.96
Total	110,506.47	76,151.20	31,009.12	36,569.09	10,440.53	15,218.32	279,918.73

Statement of revenues of the Moro Province for the fiscal year 1908—Continued.

CUSTOMS RECEIPTS.

	Port of—					Total.
	Zam-boanga.	Jolo.	Bongao.	Jurata.	Sitanki.	
Imports	P186, 118. 04	P143, 247. 92	P80. 76	P2, 095. 25	P2, 325. 32	P333, 862. 29
Exports	9, 043. 66	8, 028. 98	7. 14	123. 38	127. 48	17, 335. 64
Tonnage	226. 73					226. 73
Immigration fees	2, 210. 00	1, 048. 00		136. 00	179. 00	3, 573. 00
Storage	329. 66	62. 48		34. 36		426. 44
Customs stamps	2, 968. 80	1, 967. 90	19. 40	190. 26	308. 50	5, 459. 86
Blank forms	198. 86	117. 71	3. 08	14. 56	24. 81	358. 61
Miscellaneous	814. 87	323. 40		60. 00	10. 00	698. 27
Licenses	551. 59	26. 58				578. 17
Fines	202. 00	54. 60		10. 00		266. 60
Duties on merchandise sold		30. 00				30. 00
Total	202, 188. 71	154, 927. 52	110. 38	2, 658. 79	2, 975. 11	362, 810. 51

RECAPITULATION.

Provincial	P279, 918. 73
Customs	362, 810. 24
	642, 729. 24

Internal revenue collections (insular).

	District of—					Total.
	Zam-boanga.	Sulu.	Davao.	Lanao.	Cotabato.	
Insular	P32, 869. 94	P13, 890. 37	P17, 762. 68	P6, 887. 06	P7, 694. 83	P79, 104. 90
Documentary stamps	1, 230. 52	355. 10	407. 16	324. 72	130. 40	2, 447. 90
Opium	7, 742. 29	6, 688. 83		529. 59	2, 258. 62	17, 218. 83
Total	41, 842. 75	20, 933. 80	18, 169. 84	7, 741. 39	10, 083. 85	98, 771. 68

Table giving classification of municipal revenues as taken from the accounts of district treasurers and shown by districts.

	District of—					Total.
	Zam-boanga.	Sulu.	Davao.	Lanao.	Cotabato.	
Fisheries	P472. 59		P95. 50	P103. 08		P671. 17
Ownership and transportation of cattle	335. 00	P553. 00	1, 886. 00	97. 00	P872. 00	3, 243. 00
Rents and profits	9, 448. 22	4, 948. 10	4, 440. 78	3, 873. 98	3, 011. 70	25, 722. 78
Licenses	20, 027. 67	14, 937. 60	4, 562. 95	26, 057. 25	12, 364. 20	77, 949. 67
Fines	3, 246. 05	1, 391. 26	2, 262. 10	6, 422. 80	4, 872. 43	18, 194. 64
Lineal frontage	7. 80		1, 141. 24		371. 49	1, 520. 03
Latrines		1, 052. 60	1, 357. 89	308. 81		2, 718. 80
Internal revenue, municipal	3, 918. 00	1, 210. 50	1, 480. 00	1, 059. 00	1, 260. 00	8, 877. 50
Deposits	126. 52					126. 52
Opium certificates	896. 00	1, 507. 50	125. 50	91. 50	565. 50	3, 186. 00
Refunds	983. 63		194. 71	215. 90	1, 150. 30	2, 544. 54
Justice of peace fines	539. 60	45. 75	944. 40	1, 032. 00	670. 50	3, 232. 25
Miscellaneous .....	.18			.38		.56
Street cleaning		528. 75				528. 75
Water tax		287. 00			135. 45	377. 45
Subscription fire apparatus					1, 100. 00	1, 100. 00
Donation from provincial government for fire apparatus					500. 00	500. 00
Total	40, 000. 76	26, 412. 06	18, 440. 57	39, 261. 70	26, 373. 57	150, 488. 66

Statement showing customs receipts for the fiscal years 1904 to 1908, inclusive, and cost of collection as against receipts.

Fiscal year.	Amount of collections.	Cost of collecting (per cent).
1904	P222,388.77	23.9
1905	263,242.13	20.8
1906	318,394.00	16.7
1907	370,275.20	13.5
1908	362,810.51	18.0

Comparative statement showing increase and decrease in customs revenues, by ports, for the fiscal years 1907 and 1908.

Port.	1907.	1908.	Increase.	Decrease.
Zamboanga	P200,519.32	P202,138.71	P1,619.39	.....
Jolo	163,816.90	154,927.52	.....	P8,889.38
Bongao	693.53	110.38	.....	583.15
Jurata	2,869.84	2,658.79	.....	211.05
Sitanki	2,375.61	2,975.11	599.50	.....

Statement showing increase or decrease of provincial revenues for the fiscal years 1907 and 1908.

Class.	1907.	1908.	Increase.	Decrease.
Provincial collections	P221,436.75	P279,918.73	P58,481.98	.....
Customs collections	370,275.20	362,810.51	.....	P7,464.69
Total	591,711.95	642,729.24	58,481.98	7,464.69

Percentage of increase (provincial), 26.4 per cent.

Percentage of decrease (customs), 2 per cent.

Net increase, 8.6 per cent.

Statement showing the deposits and withdrawals of funds not classed as provincial revenues, for the fiscal year ending June 30, 1908.

	Congressional relief funds.	Subsidies Sultan of Sulu.	Anchors and buoys.	Arrastre.	Extra services customs employees.
Dr.					
Balance July 1, 1907	P840.07		P4,677.28	P2,498.17	.....
Deposits	2,080.57	P7,412.50	.....	8,853.06	P475.50
Total	2,970.64	7,412.50	4,677.28	6,351.23	475.50
Cr.					
Disbursements			2,711.05		
Withdrawals	2,970.64	7,412.50	1,966.23	8,000.00	469.98
Balance June 30, 1908				8,351.23	5.00
Total	2,970.64	7,412.50	4,677.28	6,351.23	475.50

* Port closed August 31, 1907.

Statement showing the general revenues and withdrawals for general provincial purposes for the fiscal year ending June 30, 1908.

DR.	
On hand July 1, 1907.....	₱59,686.10
Provincial revenues.....	125,086.84
Customs revenues.....	354,674.56
Insular refunds.....	110,105.45
Repayments to appropriations.....	32,562.73
Miscellaneous revenues.....	400.02
Total.....	682,495.70
CR.	
Withdrawals from appropriations.....	611,670.03
Balance on hand June 30, 1908.....	70,825.67
Total.....	682,495.70

Statement of financial condition of the Moro Province June 30, 1908.

DR.	
Balance on hand June 30, 1908.....	₱70,825.67
Unexpended balances to be returned.....	31,207.10
Unexpended balances, public works.....	5,795.81
Collections undeposited.....	19,225.39
Internal-revenue refund due from insular government.....	30,622.57
Total.....	157,676.54
CR.	
Amount due insular government.....	43,041.49
Other outstanding obligations.....	34,731.08
Balance in favor Moro Province.....	79,903.97
Total.....	157,676.54

This statement includes all funds in the hands of disbursing officers and all collections undeposited.

Receipts and disbursements of municipalities.

Municipality.	Balance on hand July 1, 1907.	Received from all sources, fiscal year 1908.	Total.	Disbursed fiscal year 1908.	Balance on hand June 30, 1908.	Total.
Zamboanga.....	₱4,821.95	₱36,260.54	₱41,082.49	₱29,196.09	₱11,896.40	₱41,082.49
Dapitan.....	2,731.54	2,361.86	5,093.70	4,833.92	259.78	5,093.70
Jolo.....	2,976.49	24,088.61	27,064.10	14,135.52	12,928.58	27,064.10
Siad.....	322.65	2,327.45	2,650.10	1,321.80	1,328.30	2,650.10
Cotabato.....	491.43	12,367.97	12,859.40	8,508.91	4,350.69	12,859.40
Parang.....	1,651.89	16,496.82	18,148.71	14,704.51	3,444.20	18,148.71
Iligan.....	3,011.87	10,803.92	13,815.79	10,650.86	3,265.43	13,815.79
Dansalan.....	.....	15,575.20	15,575.20	9,231.82	6,343.38	15,475.20
Malabang.....	10,262.23	13,134.02	23,396.25	10,426.60	12,969.75	23,396.25
Davao.....	1,348.37	11,788.53	13,131.90	9,902.55	3,229.35	13,131.90
Mati.....	591.30	906.60	1,497.90	1,096.64	402.26	1,497.90
Baganga.....	2,546.97	2,189.03	4,736.00	1,888.17	3,347.88	4,736.00
Caraga.....	1,131.11	1,729.46	2,860.57	1,725.54	1,135.03	2,860.57
Boston.....	497.71	1,181.25	1,678.96	1,178.40	500.56	1,678.96
Total.....	32,394.81	151,206.26	183,601.07	118,199.63	65,401.54	183,601.07

EXPORTS FROM THE MORO PROVINCE.

During the fiscal year there were exported from the Moro Province, as shown by incomplete returns, to other parts of the Philippine Islands or to foreign ports, articles in value as follows:

Zamboanga	₱669, 206. 34
Davao	587, 886. 63
Jolo	545, 573. 62
Dapitan	89, 601. 97
Iligan	55, 168. 00
Matl	40, 073. 82
Cotabato	21, 246. 50
Lubungan	17, 583. 58
Jurata	17, 191. 34
Sitanki	6, 643. 20
Boston	6, 486. 50
Bongao	109. 80
Total	2, 066, 861. 30

There were also exported from: Baganga, goods valued at ₱295,326.72; Caraga, goods valued at ₱29,482.89, the destination of which is not noted on the reports.

It is to be noted that hemp and copra furnished the principal value of exports.

The total value of hemp exported was ₱892,667.59, of which ₱504,348.38 was shipped from Davao, ₱148,043.60 from Jolo, ₱77,217.86 from Dapitan, and ₱46,393.38 from Zamboanga, making a total of ₱776,003.22.

Copra to the value of ₱399,260.82 was exported, of which amount ₱276,488.72 was shipped from Zamboanga, ₱92,571.63 from Jolo, ₱15,914.60 from Dapitan, and ₱5,016.10 from Davao, making a total of ₱389,991.05.

The following list of articles, valued as indicated, comprised most of the remaining exports:

Lumber	₱185, 827. 63
Pearl shells	154, 618. 34
Gum copal	98, 733. 15
Wax	44, 437. 00
Snail shells	42, 307. 54
Tortoise shells	24, 862. 72
Gutta percha	23, 827. 03
Biao nut	22, 673. 18
Cocoanut oil	17, 545. 98
Ponies	10, 015. 00
Almaciga	9, 725. 07
Cattle	8, 585. 00
Dried fish	8, 466. 73
Shark's fins	8, 068. 10
Bechedemer	7, 992. 15
Dead shells	7, 288. 93
Mats	6, 824. 10
Green shells	5, 477. 91
Pearls	5, 300. 00

PUBLIC WORKS.

The expenses of this department are shown in the preceding statistical report of the treasurer. During the year the provincial capitol was completed and occupied, the grounds graded, and a sea wall constructed along the water front of the property. The construction of a small pump house and janitor's building for the service of the capitol building is now under way. An annex to the provincial jail has been constructed at San Ramon, a custom-house erected at Sitanki, and Moro exchanges at Cotabato and Dinas. A new schoolhouse has been built at Margosatubig, and one is now being constructed at Pollok. The school buildings at Santa Maria, Talontalon, Ayala, Sinonoc, and Cotabato have been repaired, and the old naval barracks at Isabela de Basilan have been put to use as a school, with the approval of the commander of

the Third Squadron, United States Pacific Fleet, upon the understanding that upon demand the building will be turned back to the naval authorities in good condition and without any expense to the United States. Extensive repairs have been made to the district buildings at Zamboanga and minor repairs to public buildings at other localities. The Moro Province has recently purchased a fine modern building on the water front at Zamboanga, which has been converted into district headquarters for the district of Zamboanga, the former district building, after extensive repairs, being adapted to temporary use as a custom-house.

Under "Roads and bridges," an ornamental reenforced concrete arched bridge of 30 feet span has been constructed across the Santa Maria Canal at Zamboanga, at a cost of about ₱8,000. This bridge is of the same general type as the one constructed last year at Putig, but is of a much more elaborate design. Several small bridges have been constructed and existing bridges repaired. The improved roads in the vicinity of Zamboanga have been maintained. The main roads leading out of the city have been resurfaced in large part and the system is now in good condition. The small balance of the congressional relief fund remaining on hand at the end of the last fiscal year has been allotted to the Iligan-Overton section of the Iligan-Lake Lanao road, and work thereon is now in progress.

The new road law of the Moro Province (Act No. 187) was put in operation during the fiscal year. About ₱37,000 in cash, as well as a fair amount of labor in kind, became available for road work in the several districts. Under the operation of the law work has been in progress on the San Ramon road and the Mercedes road, Zamboanga, the Dapitan-Dipolog road, the Cotabato-Tamontaca road, the roads and trails about Parang, and the Tulai-Asturias road in Jolo. This work will be continued during the coming fiscal year. In addition to work under the road law funds, other roads have been improved in the vicinity of Zamboanga and an entirely new road, 1½ miles long, has been opened from the town of Davao to the new wharf site under appropriations from general fund. In all, about 4½ miles of completed improved roadbed has been added to the road system of the province, and about 9 miles more have been graded and prepared for metaling. Twelve miles of earth road were worked over and improved and about 5 miles of trails were cleaned out, widened, and cleared of obstructions.

The operation of the road law in this its first season has been very satisfactory, and no difficulty has been experienced in its enforcement. Except in one tribal ward in the district of Zamboanga, the provisions of the law have not been applied to Moros and non-Christians. Several of the influential dattos of the province have shown considerable interest in the improvement of the trails leading into their country and have promised to use their influence toward the extension of the road work during the coming season. This has been notably true in the case of the Kali Pandapatan, headman in the Buldun country. This year the provisions of the law will be applied to several other tribal wards, and a considerable addition to the mileage of improved trails in the Moro country is confidently anticipated.

Under the head of wharves and sea walls repairs have been made to the Zamboanga wharf, and the small wharf at Isabela de Basilan has been rebuilt. Plans have been prepared and approved for the construction of a large wharf at Davao, and at the date of this report the work is under way.

The various municipalities have continued to expend a fair proportion of their revenues on public improvements. The new steel-frame market building at Zamboanga has been completed and occupied. In Zamboanga and in the other municipalities a large amount of street work has been done. Plans for a municipal building at Malabang have been prepared and funds appropriated for its construction; and Cotabato and Zamboanga are preparing to undertake similar improvements.

The work contemplated for the current fiscal year embraces construction of wharves at Davao and Iligan and extensive repairs to the existing wharves at Zamboanga, Jolo, and Siasi. Work will also be started on the proposed new wharf at Zamboanga if conditions will permit. Bids have been invited for the construction of a district jail at Jolo, a much-needed improvement. The insular architect has been requested to prepare plans for a large combined school building for Zamboanga. A custom-house will be constructed at Davao, and a new district building for Cotabato is proposed. Work on roads and bridges in the vicinity of Zamboanga, Dapitan, Iligan, Cotabato, and Davao will be continued, and the construction of a suspension bridge over the Agus River

to connect the town of Dansalan with Marahui is projected. Plans have been prepared for a combined concrete and steel-girder bridge of about 28 feet span to replace an old wooden bridge crossing the Santa Maria Canal in Zamboanga, and its construction will be begun at an early date.

The so-called harbor of Zamboanga is in reality an open roadstead, which, being exposed to the southwest monsoon during half of the year, makes the problem of loading and discharging cargo very difficult, whether at a wharf or at anchor in the stream. At a point about 4 miles to the eastward of Zamboanga is the beautiful natural harbor of Masinloc, with deep water and perfectly protected at all seasons of the year. The provincial government has recently taken under consideration the proposition to make the port of Zamboanga at Masinloc, connecting it by a fine roadway and steam-car system with the capital city. There are many reasons for believing that making the port here will not only be more convenient for commerce, but will be cheaper than the construction of expensive wharves and docks at Zamboanga.

EDUCATION.

The total enrollment in the public schools of the Moro Province during the school year was 4,894—3,246 being males and 1,648 females. Of the total number, 3,897 were Christian Filipinos, 842 Moros, 130 Pagans, and 25 Americans. Of the Moro enrollment, 316 were Maguindanaos, 264 Joloanos, 225 Samals, and 37 Yakans and Malanaos. The following is the classification by grades:

Grade I.	Grade II.	Grade III.	Grade IV.	Grade V.	Grade VI.	Grade VII.	Unclassified.
3,345	842	281	84	23	19	8	292

The average daily attendance for the school year 1907-8 shows a decrease of 139, or 4.7 per cent, as compared with the average daily attendance for the preceding school year, the total for the fiscal year just ended being 2,829, as compared with 2,968 for the preceding year. This decrease is partially explained by the discontinuance during the past school year of the night schools, which, being taken into account, reduces the decrease to 72, or 2.4 per cent. This inconsiderable decrease is noteworthy for the fact that during the year two more primary schools were in operation than during the previous year, and it would naturally be expected that the average daily attendance should show a corresponding increase.

The reason for the decrease is to be found in the greater activity of the parochial schools, and therefore I do not think that, under existing circumstances, it is a thing to be regretted. The decreased attendance is entirely among the children of Christian Filipinos. As I have stated in previous reports, the school system of the Moro Province was established and developed at a time when the non-Christian population was more or less generally in a state of war. The relatively small Christian Filipino population was at the time the only part of the community where there could be an orderly development of the functions of government. At the same time, throughout this part of the community, the parochial schools had been discontinued or were in a state of suspended animation. For both these reasons it was natural that the public school system should receive its first and great development among the Christian Filipinos. It was naturally to be expected that as the activity of the parochial schools revived the attendance among this part of the population on the public schools would decrease. The Filipinos in this province are all Catholics and loyal to their church, and it will be surprising if, as the parochial schools increase in number and efficiency, an increasing number of such persons do not remove their children to the parochial schools. The result will not be detrimental to the state, if the latter can be assured that the education given in the parochial schools is of as high a grade as can be given in the public schools.

To me the most gratifying indication is the steady increase in the enrollment of the Moros and Pagans. During the past year this enrollment, small in itself, was more than one-fourth that of the Christian Filipinos. Among the non-Christians we have an open but a difficult field in which to develop our public schools. Success in this field requires a combination of the enthusiasm of the born teacher and the devotion and self-denial of the missionary. The teacher

who goes into this field is cut off from all the refinements of civilization, and is always exposed to more or less danger. Thus far it has been practically impossible to secure regularly qualified American teachers for the non-Christians away from the organized municipalities. At various times enlisted men of the United States Army have been detailed as teachers of Moro schools in more or less remote districts, and they have done exceedingly well. Two such schools were recently temporarily discontinued in the island of Jolo on account of the murder of one of the teachers, Private Albert L. Burleigh, Eighteenth United States Infantry, by a band of murderers while he was passing over the trail from Jolo to his school at Mainbun, the residence of the sultan of Sulu.

The cost of the school department for the fiscal year was ₱81,192.50; for the preceding year the cost was ₱103,430.75. The average cost per enrolled pupil during the past fiscal year was ₱16.59, while for each one of the average number of children in daily attendance the cost was ₱28.70. For the preceding fiscal year these figures were, respectively, ₱19.17 and ₱34.81. Thus the year 1907-8, compared with the year 1906-7, shows a decrease in the cost of education of 13½ per cent per pupil enrolled and 17½ per cent per pupil of the average daily attendance.

The principal reason for the relatively high cost of education is given in the report of the superintendent of schools for 1906-7.

During the greater part of the year there were employed in the province 14 American teachers, of whom 3 were soldiers, while of the others only 5 were regularly qualified teachers. During the same time there were employed 74 native teachers, 51 males and 23 females. Eleven of the total number were Moros and 63 were Christian Filipinos. Three of these teachers gave instruction in Spanish alone, while 5 gave instruction in Moro alone. In addition to the latter there were 4 Moro "Panditas" who serve without salary in the so-called "Pandita" schools recently established. The average monthly salary for female teachers was ₱27.17, and for male teachers was ₱34.80.

During the year 57 primary schools have been in operation in the province, including 3 which were opened since the date of my last report. Since the beginning of the year 1906 5 schools have been closed on account of lack of attendance resulting from the transfer of pupils by their parents from the public to parochial schools. Two schools in the island of Jolo have been temporarily closed, due to disorders culminating in the murder of one of the teachers (Private A. L. Burleigh, U. S. Army) by Moros.

The "Pandita" schools, previously referred to, are schools established in Moro settlements under the patronage of some influential datto and conducted by the local Pandita. The building and teacher are furnished by the Moros themselves, while the province provides books, paper, blackboards, and other necessary supplies. The instruction given in these schools is necessarily limited almost entirely to the reading and writing of the native language. Limited as this instruction is, however, these simple establishments, which are maintained at an insignificant cost to the government, serve to win the sympathies and arouse the interest of the Moros. The latter look upon them as government institutions and are thus beginning to learn that the attitude of the government is sympathetic and not hostile. In time there will be a natural transition from the Pandita schools to the lowest grade of the public school system.

During the year two vacation normal schools were held in Zamboanga, each continuing for six weeks. The first was attended by the native teachers of the district of Zamboanga, and the second by the remaining teachers in the province. The superintendent of schools reports that these normal schools have been exceedingly valuable not only in better qualifying the teachers for the year's work by broadening their knowledge of the subjects taught, especially industrial work, but also by creating among them an esprit de corps and a friendly emulation, resulting in better and more effective work.

The number of probable students has thus far seemed too small to warrant the establishment of a high school in Zamboanga. As soon as there shall be a sufficient number of applications for secondary instruction to justify it, a high-school course will be given in the provincial school. The latter school has done very satisfactory work during the past year, the majority of its graduates being employed as teachers in this province, while five are pursuing professional studies in Manila.

The superintendent of schools reports that the course of instruction adopted two years ago, in accordance with which the primary course was extended from three to four years and industrial work largely introduced, has proved highly satisfactory. Exhibits of school industrial work are regularly held in Zamboanga in December of each year, and a steady improvement in the

quality and scope of the work done has been very noticeable. For the exhibit held on December 20, 1907, 50 schools sent more than 1,500 articles, including wood and rattan furniture, hats, mats, and baskets woven from the leaves of the Buri palm, napkin rings, fish nets, beadwork, crochet work, and embroidery. Experience has shown that the various branches of industrial work prescribed for the primary schools—needlework, buri and pandan weaving, rattan and beadwork—are the best available for general instruction. These branches give the maximum of manual training with the minimum of experience, and teach occupations which are very useful and practical. The greatest difficulty encountered in industrial education in the Moro Province to-day is the scarcity of teachers who are skillful instructors in this class of work.

The great development of American plantations around the Gulf of Davao has resulted in the attraction to the coast of a large number of pagans who have heretofore lived in the mountains, coming into very little contact with white men or civilization of any kind. These people have therefore preserved in primitive excellence many of the attractive industries which disappear almost entirely from contact with civilization and cheap machine-manufactured articles. Prominent among these native industries in that locality are the manufacture and dyeing of cloth by the women and wood carving by the men. Several villages of these pagans who have recently removed from their remote homes in the hills are now located near the coast in the vicinity of plantations where congenial employment is obtainable. It is intended to establish schools in several of these villages. The near-by American planters have already agreed to furnish the necessary buildings. In these schools an effort will be made to provide for the instruction of the children in the native arts by the most skilled workmen of their tribe.

The crying need of the Moro Province to-day is for workers. Thousands upon thousands of hectares of fertile, well-watered land are lying within its borders untouched by the hand of man. The essential duty of state-maintained schools, under these conditions, is to train the coming generation of citizens so that their intelligent labor will result in the greatest amount of material prosperity. For this purpose it is the desire of the provincial government to recast the education given in the public schools, so that their graduates will have, along with a reasonable knowledge of practical English, arithmetic, and kindred subjects, a thorough knowledge of woodworking, ironworking, and agricultural methods. By a thorough knowledge of wood and iron working is not meant training in the use of costly and complicated machinery, which must be driven by steam power, and skill in the use of which would secure employment only in a very few manufactories in these islands. A far more practical and equally educative purpose is served by giving training in the use of those small tools which are not beyond the reach of the humblest worker. If any of the students so trained should ever find an opportunity for employment in an establishment which uses steam-driven machinery, they will have a sound basis of practical tool work upon which to build, and will not be long in acquiring the additional experience necessary for the care of more complicated machines. The training in agriculture should give the pupils an intelligent knowledge of the food requirements of plants and the soils which contain these requirements, the common diseases of staple crops and domestic animals, and their prevention and cure, etc.

State-maintained schools, in which practical knowledge of such subjects is acquired, will work to the immediate advantage of the state by directly increasing the material prosperity of the people. This material prosperity will bring about conditions that will then properly demand the extension of the public-school system so as to cover a more general education, and at the same time will provide the means for the establishment and maintenance of the more expensive schools which will then be required.

HEALTH.

Cholera.—About the beginning of the month of November, 1907, report was received of an outbreak of cholera in the vicinity of Iligan, on the north coast of Mindanao. Precautions were immediately taken by the surgeons of the military posts who in some cases were also health officers. With the exception of a very few cases, the disease was kept off of the main line of travel over the trail leading from Iligan and Camp Overton on the north side of Mindanao to Malabang on the south side. It, however, progressed on the back trails through the wilder hill country, passing from one rancheria of Moros to another

until it reached the country on the east side of Lake Lanao. The army surgeons up to this time visited every point of infection that could be reached by them; but in the East Lake Basin the Moros were hostile and intractable. As they would take no precautions against the disease themselves, it became necessary to practically stop Moro traffic along the Keithley-Overton and Vicars-Malabang trails, in order to prevent the disease from reaching the military garrisons and white and Filipino settlements, in which latter it produced its greatest ravages in the epidemic of five years ago. Moro markets were closed, except where they could operate under strict supervision of government officials. The disease then evidently passed from one Moro settlement to another until it reached the Buldun country and the vicinity of Parang. From here it passed, evidently by Moro vintas, whose traffic could not be stopped, to the mouth of the southern branch of the Rio Grande on the one side, and to Malabang on the other. From Malabang it proceeded west along the coast to Tucuran and Dinás, while in the district of Cotabato it followed the valley to some distance above that town. Fortunately, at all of the larger centers of population army surgeons were at hand who, by the most energetic efforts, successfully combated the disease, and soon stamped it out in those places. That the province has thus far been saved from a serious epidemic is due entirely to the devoted work of the military surgeons. The case was different at the isolated Moro settlements. Here, from total absence of means of regular communication, news of the outbreak of the disease was received sometimes many days after it occurred. On sending a surgeon to the place it would be found that from one to a score of persons had died, and that the disease had then disappeared as suddenly as it had come, to reappear again as unexpectedly in some other equally remote settlement. I should estimate the deaths among the Moros from this cause to be about 1,000. Beyond occasional cases of which rumors come from the Moro country the epidemic, if it is to be called so, seems to have died out.

The provincial government has printed and distributed several thousand copies, in English, Spanish, and Visayan, of a simple catechism prepared by the post surgeon at Zamboanga, giving in simple and easily understood language the sanitary rules to be followed for the prevention of the spread of cholera. It has also distributed a large number of copies of Cholera Circular No. 1, of August 29, 1905. The government has directed instruction in the contents of the catechism and the circular to be given in the public schools.

Rinderpest.—Beginning with November 21, 1907, and ending with May 29, 1908, several outbreaks of rinderpest have occurred in the vicinity of Zamboanga. In the course of these outbreaks it was noticed that animals which were pastured on high ground and supplied with clean drinking water were protected against infection, and that immunity is greater in dry weather than in wet. Those animals that were left to shift for food and water for themselves, especially those which had been overworked, were found to be most liable to the infection. The official veterinarian reports that, although many Indian cattle are pastured in the vicinity of Zamboanga, not one of them contracted the disease, which was confined to carabaos and vacas. The latter were the most resistant to the disease, while in no case did a carabao recover from an attack. The epidemic appears to have been similar to the one which occurred in 1904-5, but was very much less virulent in its character, owing to better control of surrounding conditions and of the infected animals. The official veterinarian acted with promptness, energy, and excellent judgment in discovering any appearance of infection and in securing such a degree of control, notwithstanding the strange indifference of some native owners, as to permit of the most effective treatment. He reports that the serum obtained from the bureau of science largely aided in securing this result.

SAN RAMON FARM.

The development of the government farm has proceeded satisfactorily during the year, the superintendent reporting a balance of receipts from all sources over expenditures for all purposes of ₱2,798.52. This is more than had been expected, in view of the great fall in prices of the principal products raised on the farm. Nevertheless, the favorable balance is somewhat larger than last year, on a lesser acreage of hemp and the same number of bearing coconut trees. No hemp was planted during the year on the farm. Experience justifies the conclusion that no more labor should be devoted to this product until we are able to open fields near or on the foothills, where there is an assurance of greater rainfall. The superintendent reports nonsuccess in cultivation of Para rubber, and he believes that further experimentation in this direction will be

fruitless. The location is evidently unsuitable for this culture. During the year there was a considerable increase in the number of cocoanut trees planted. An experiment has also been made in establishing a vegetable garden to supply the Zamboanga market, which is reported to be progressing very satisfactorily. The superintendent reports that the citrus fruit trees previously planted are doing remarkably well. The lemon trees produced per tree a great amount of fruit of excellent quality. They have averaged 200 fruits per tree, the value of which is as much as that of five cocoanut trees, while the products can be marketed at a much less cost. The Liberian coffee plants, which were germinated from seed obtained from the bureau of education, are doing well. There is no doubt that the very best coffee can be raised in any part of the Moro Province. The Cotabato or Lake Lanao coffee, properly picked and prepared, is of much better flavor than any coffee which can be purchased in the market of Zamboanga. Cinnamon grows in great quantities in the foothills in this vicinity, and the superintendent of the farm recommends that this industry be introduced upon the farm for the purpose of furnishing seeds and cuttings to planters throughout the province. Anything that will induce the planters to diversify his crops with plants adapted to the climate, and whose products are in demand throughout the world, is to be approved.

GENERAL CONDITIONS.

DISTRICT OF COTABATO.

During the year this district, inhabited very largely by Moros, has been the most peaceful one in the province. For the twelve months there were only 9 serious cases of lawlessness reported—1 assault, 5 assassinations, 3 homicides. A Moro exchange was established at Cotabato and put in successful operation. The trade of this district is so dependent upon agriculture that until its resources in this direction are more fully developed there can be expected only a slow increase. A sawmill and rice mill recently established at Cotabato, and the large industry in cutting railroad ties, in which the Moros of the valley have been largely interested, have done much to improve conditions. In past years one of the great causes of trouble has been the unfriendly relations between the people of the different rancherías of Moros, who as is still true elsewhere in the province, had passed on, from generation to generation, family and tribal feuds growing out of deeds of violence and disputes about property. For the past year these relations have been for the most part amicable, and the disputes between the different dattos and sultans have been settled in the tribal ward court, to the mutual satisfaction of the parties concerned. The number of cases brought for trial before this court has steadily increased to such an extent that to-day it really seems that the Cotabato Moro has come to prefer this method of settling his disputes to the old way of resorting to his kris and spear. The governor of the district reports that, in his opinion, the time is not yet ripe to deprive the people of their firearms. Most of these weapons are obsolete as military arms, but are used to kill deer and wild hogs, which otherwise would become a pest. Until such time as there can be a general disarmament effected I do not believe it just to deprive the good and law-abiding Moro (of whom there are many) of his arms and leave him at the mercy of the bad and lawless Moros.

There are two municipalities in this district, Cotabato and Parang, both of which are thriving and show during the year an increase in population. In Cotabato there is an increase in this season's harvest over that of last year of 1,893 piculs of copra, 917 piculs of hemp, and 2,180 piculs of palay, while in the municipality of Parang the increase is reported to be 313 piculs of copra, 3,229 piculs of hemp, and 1,141 cavans of palay. The estimated increase in the population is 200 for Cotabato, 199 for Parang, and 3,902 for the tribal wards.

DISTRICT OF DAVAO.

The district governor reports that the low prices for hemp prevailing through nearly the entire year, and particularly during the last quarter, have reduced the value of exports from this district by from one-fourth to one-third the value under the conditions of the preceding year. Nevertheless, the balance of trade favors the district. In the municipality of Baganza there were 162,000 hemp hills and 2,500 cocoanut trees planted, making a total, respectively, of 1,662,000 and 7,500. In Caraga there were planted 108,000 hemp hills and 2,600 cocoanuts, making the respective totals in this municipality 1,560,000 and 9,000. The new plantings in Cateel were 57,000 hemp, 3,750 cocoanuts, and 2,650 rubber

trees, the existing totals being, respectively, 960,000, 8,500, and 5,000. In Mati there were planted 233,250 hemp, with a total of 1,230,000, and 1,780 cocoanut trees, with a total of 6,000. Two hundred and forty-five thousand hemp hills and 27,500 cocoanut trees were planted in Davao, making the totals for that municipality 1,775,000 and 62,000, respectively.

Besides the plantings in the municipalities, there were planted in the tribal wards 403,040 hemp hills, with a total of 1,831,245, and 1,914 cocoanuts, with a total of 3,358. The plantings of the Davao Planters' Association are returned separately, being 629,840 hemp and 45,767 cocoanuts, with respective totals of 2,669,900 and 122,351. This association has also planted during the year 31,925 rubber trees.

The totals of these three products under cultivation in the district of Davao are, therefore, 11,688,145 hemp hills, 218,709 cocoanuts, and 39,775 rubber trees.

Reports from the five municipalities show a fair increase in the number of cattle, carabaos, and horses. In these municipalities there have been new investments in commercial business to the amount of ₱102,820, and in agriculture to the amount of ₱260,964.48, a total of ₱363,774.48 for the year. The balance of trade, as shown by the value of exports and imports, in the five municipalities is in favor of the district to the amount of ₱104,761.34, more than double the amount of the previous year.

These figures show that while the value of exports from the district has fallen, there has been in reality a healthy growth, and that the district has been prosperous even under adverse market conditions. The planters are giving greater attention to the raising of foodstuffs with corresponding smaller outlay in cash for imported goods.

The governor reports steady and satisfactory progress has been made during the year in all the tribal wards of the district. Several hundred wild people, in addition to those reported last year, have been induced to come down from the mountains and establish villages near the coast.

The Mandayan question, which has been one of considerable difficulty near Cateel, seems to be successfully settled and these people now evince no disposition to make further trouble.

In this district the constabulary have rendered very effective service. The band of outlaws who murdered Governor Bolton two years ago have been steadily pursued until the last one has been killed or captured.

At Davao a new and fine wharf will be completed during the calendar year, as well as a custom-house and an excellent road connecting the wharf and the town.

Under date of December 20, 1907, the governor of Davao reported a rumor of a human sacrifice having been made by some people of the tribe of Bagobos living in a settlement called Talon, near Digos, on December 9, 1907. He was at once directed to make an investigation and full report. This investigation confirmed the rumor and is given in his report of January 3, 1908. As this report throws much light upon the character, superstitions, and customs of many thousands of pagans living within the Moro Province, I here quote it substantially in full:

DAVAO, MINDANAO, P. I., January 3, 1908.

THE SECRETARY OF THE MORO PROVINCE,
Zamboanga, P. I.

SIR: In addition to a pencil report made to your office under date of December 20, 1907, regarding a human sacrifice made by the Bagobos at Talon, near Digos, on December 9, 1907, I have the honor to submit herewith a full report of an investigation held by myself and the senior inspector of constabulary of Davao.

We left Davao on the morning of the 27th of December and arrived at Digos in the afternoon of the same day. An order was immediately sent out to the Bagobos of Talon to come down to Digos to meet us.

On the morning of the 30th the entire population of Talon, men, women, and children, to the number of almost 150, arrived at Digos. They were informed that it was reported that a human sacrifice had been made at their town and that the authorities desired to know if this was so.

Datto Ansig replied that it was true that a sacrifice had been held as stated and that both he and his people were ready to tell all about it, as to the best of their belief, they had committed no crime, but only followed out a religious custom practiced by themselves and their ancestors from time immemorial.

From the statements made by Ansig and his followers it appears as follows:

That the Bagobos have several gods: "Bacalad," god of the spirits; "Agpan-mole Manabo," god of good, and his wife, the goddess "Dewata;" "Mandaran-

gan," the god of evil (corresponding perhaps to our devil) and to whom sacrifice is made in order to appease his wrath, which is shown by misfortune, years of drought, or evil befalling the tribe or its members; also it is at times necessary to offer him human sacrifice so that he will allow the spirits of the deceased to rest, etc. They say that in case a Bagobo of rank or influence dies and his widow be unable to secure another husband, it is necessary for her to offer sacrifice to appease the spirit of her departed husband in order that she may secure another. In order that these sacrifices be not made too frequently it is customary for the old men of the town to gather together once each year during the time when a collection of seven stars, three at right angle to the other four, are seen in the heavens to the east at 7 o'clock in the evening, which is said to occur once each year during the first part of the month of December.

This collection of stars is called by the Bagobos "Balatic," and is the sign of the sacrifice—that is, if a sacrifice is to occur it must take place during the period when the stars are in this position.

The old men meet and decide if enough misfortune has overtaken the tribe or village during the period since the last sacrifice to render necessary another tribute to the god of evil. It is not necessary to offer a sacrifice for each evil, but when the misfortunes amount to considerable a sacrifice is held to cover the entire lot.

In this case it appears that two widows, Addy and Obby, went to Datto Ansig and requested that he arrange a sacrifice to appease the spirits of their departed husbands, which were bothering them. Ansig called a meeting of the old men at which were present, besides himself, Bagobos Oling, Pandaya, and Ansing, and these four decided that as they had not had a sacrifice since the great drought (about three years ago) and that since that time many evils had befallen them, it would be well to offer a sacrifice. These four men sent out to find a slave for sacrifice, the finder becoming the chief of the sacrifice.

Ongon, a henchman of Datto Ansig, purchased from Bagobo Ido a Bilan slave boy, named Sacum, about 8 years old, and who was deaf and cross-eyed and had other defects of vision, making him of little or no value as a laborer. Ido originally received this slave from Duon, a Bilan, as a wedding present when he married Duon's daughter about a year ago.

Ongon agreed to pay Ido 5 agongs for the boy and took him to the house of Ansig, where arrangements were made for the sacrifice by calling on all who for any reason had need to appease the evil spirits to come and take part. Three days after the slave was brought to the house of Ansig the people met at Talon near the river Inolia, a short distance from Ansig's house, this being, the regular place of sacrifice. Among those present were the following:

Name.	Place of residence.	Name.	Place of residence.
Ansig	Talon.	Owl	Talum.
Ansing	Do.	Ganung	Do.
Amby	Do.	Aris	Do.
Ola	Digos.	Enook	Do.
Ongon	Talon.	Odak	Do.
Bacon	Santa Cruz.	Onsoy	Do.
Utoy	Do.	Unti	Do.
Ulong	Do.	Ocak	Do.
Modesto Barrero	Do.	Onas	Do.
Brili	Talum.	Carving	Do.
Sinding	Do.	Iang	Do.
Mama	Do.	Abl	Do.
Lagunay	Do.	Tongcaling	Do.
Ollao	Do.	Aqino	Talon.
Lesia	Do.	Caba	Do.
Inang	Do.	Luton	Do.
Mali	Do.	U'bic	Do.
Comanan	Do.	Urong	Do.
Ollao	Do.	Ampas	Do.
Umbayan	Do.	Adoc	Do.
Goyala	Do.	U'long	Do.
Urong	Do.	Tao	Do.
Autu	Do.	Took	Do.
Oyawa	Do.	Igdana	Do.
Olop	Do.	Mino	Do.
Aguinno	Do.	Aguan	Do.
Anas	Do.	Buqui	Do.
Daya	Do.	Limama	Do.
Eatook	Do.	Ompog	Do.
Ois	Do.	Bansaag	Talum.

Also the following women :

Name.	Place of residence.	Name.	Place of residence.
Addy	Talon.	Irang	Talon.
Obby	Do.	Piami	Do.
Uana	Do.	Dunga	Do.
Emo	Do.	Gulliboy	Do.
Mallig	Do.	Owing	Do.
Boding	Do.	Iay	Do.
Tari	Do.	Oyang	Do.
Ulling	Do.	Ongayan	Do.
Panambog	Do.	Igo	Do.
Ida	Do.	Oyon	Santa Cruz.
Ugui	Digos.	Angayan	Do.

Leaving the house of Ansig the boy, Sacum, was seated upon the ground near the place of sacrifice. He was naked, but no other preparation was made with regard to his person. Upon a platform or bench of bamboo, about 2 feet high and a foot or two square, was placed a small basket or receptacle made of the bark of the Bonga tree; in this each person present and taking part in the sacrifice placed a piece of betel nut; over this the men placed their head handkerchiefs, and over the handkerchiefs the women laid strips of the bark of the Palma tree. Upon this the men laid their bolos, and spears were then stuck in the ground in a circle around the platform. Next Datto Ansig, as chief of the sacrifice, made an oration, which was about as follows:

"Oh! Mandarangan, chief of evil spirits and all the other spirits, come to our feast and accept our sacrifice. Let this sacrifice appease your wrath and take from us our misfortunes, granting us better times."

After this the boy, Sacum, was brought forward by Ongon, placed against a small tree about 6 feet high, his hands tied above his head and his body tied to the tree with bejucos strips at the waist and knees. Ansig then placed a spear at the child's right side at a point below the right arm and above the margin of the ribs. This lance was grasped by the widows, Addy and Obby, who at a signal from Ansig forced it through the child's body, it coming out at the other side. It was immediately withdrawn and the body cut in two at the waist by bolos in the hands of Modesto Barrero and Ola, after which the body was cut down and chopped into bits by the people present, each of whom was allowed to take a small portion as a memento of the occasion, the remainder of the body being buried in a hole prepared for it.

It is said that the child was deaf and almost blind, and that it did not realize what was to happen to it until the moment it was tied up, when it began to cry; further, that death was almost instantaneous, the only cry being one uttered when the spear first entered the child's side.

Datto Ansig, a man about 60 years of age, says that in his life he has attended or officiated at 50 human sacrifices, more or less, both among the Bagobos and the Bilanes; and that human sacrifice is also a practice among the Tagacolos, although he has never been present at one held by that tribe.

The Bagobos do not sacrifice any but old and decrepit or useless slaves captured from the other tribes, but the Bilanes sacrifice even their own people.

Being asked if it was customary to eat any portion of the body sacrificed, Ansig replied that it was not customary, nor did he know of any case where such had occurred.

The last sacrifice before this was held at Talon during the year of the drought (about 1905), when a Bilan slave, an old man who was paralyzed in one arm, was sacrificed by Datto Oling, his master.

Asked if the sacrifice of an animal would not do as well as that of a human being, they said "No; better to have no sacrifice at all."

They appeared utterly unconscious of having committed any crime, told their story with frankness, said it was a matter not talked about among their own people, but that if we wanted to know the facts they would give them to the authorities. They claimed the offering of human sacrifices by their tribe to be an old custom, and as far as they knew the only way to appease the wrath of the evil spirits, but said if they were ordered to give the custom up they would do so, even if the devil got them all.

In view of the facts in this case as brought out in the investigation, it is not thought that this is a case for prosecution before the courts, but rather a case for religious instruction, in as far as it is possible to do so. When it is considered that only a year and a half ago these people could not be approached by a white man without their taking to the brush, and that now they will come down out of the mountains to meet the officials to discuss a question of this kind, it shows great confidence in our Government.

I explained to them that human sacrifices were wrong and would not be allowed by our Government; further, that I could not let them off, but would write and explain everything to the provincial governor, who would decide what was to be done in the premises. These people have promised me that if I would assist them to secure a good location near the coast, they would move down from the mountains. I have promised them my assistance in the matter and intend to try and get them down to a point near Digos in the near future. Please advise whether any further steps are to be taken in this matter.

Very respectfully,

ALLEN WALKER,
District Governor.

In reply to this report the district governor of Davao was informed as follows:

"The provincial governor has given very serious consideration to your recommendation that the case be regarded not as one for prosecution before the courts, but rather as one for religious instruction. The provincial governor is unwilling to wait for the operation of Christianizing influences (which have not yet begun to work) before making an attempt to convince these people that these practices must be stopped so far as we are able to accomplish it. Under existing law the judge of the court of first instance in the Moro Province is authorized to give full consideration and weight to the customs and practices of the non-Christian peoples in awarding punishment for acts which constitute a crime under our law. It is for him to determine whether or not these people should be released for the reasons given in your report, and if not, what mitigating effect should be attributed to the natives' conviction that they have done no wrong.

"You will, therefore, take immediate steps to arrest Datto Ansig, the women, Addy and Obby, and the persons named Modesto Barrero and Ola, who, according to the report, cut the body up, and hold them for trial before the court of first instance at its forthcoming session in Davao in the month of March. You will also secure such witnesses to this specific act as may be necessary to establish the case before the court.

"You are further instructed to take every opportunity at meetings of headmen, dattos, and other persons of influence, and on your visits of inspection throughout the country, to impress upon the people that these human sacrifices are revoltingly wicked and inhuman actions; that the Government will not tolerate them, and that even though the action of the court in this particular case be lenient, in view of all considerations, hereafter (it being assumed that the people of your district are thoroughly aware of the views of the Government) every similar case will be prosecuted to the full extent of the law as a case of murder."

Action was taken in accordance with the foregoing instructions. At the regular session of the court of first instance held in Davao the parties concerned were brought to trial. As large a gathering of the tribes people as could be assembled was present during the impressive proceedings. In no other way could they have been impressed so strongly with the attitude of the Government toward the inhuman act of which they had been guilty, and its determination to prevent a repetition of it. The court sentenced the guilty parties to long terms of imprisonment and then, upon the solemn promise of the tribe not to be guilty in the future of such a deed, the operation of the sentence was suspended so long as this pledge should be fulfilled. This wise action was made possible under the law, which authorizes a judge in awarding sentence to take into consideration time-immemorial beliefs and customs of the pagan people. This case is noteworthy as illustrating the beneficial effects to be expected from the successful efforts being made to induce these wild people to come out of the remote mountains and settle in places where they are made accessible to the influences of the Government. The people who had been guilty of the sacrifice had only recently come out of the inaccessible

hills where they have doubtless practiced such sacrifices from remote times. There is good reason to believe that those of these people who have now put themselves within our influence will no longer be guilty of these practices.

DISTRICT OF LANAO.

A portion of the country to the east of Lake Lanao has been the continued scene of disorder and acts of lawlessness on the part of hostile Moros. There are still out four bands, large and small, which have never acknowledged either Spanish or American authority. They make their homes in the fastnesses of the mountains where, if not discovered for a season, they raise small crops for their subsistence; or, they wander from point to point, living on forced contributions from other natives. One of these bands is under the leadership of Ampuan-Agass, and is believed to number about 300 outlaws, with 41 rifles, 18 muskets, and 15 revolvers, besides their native arms; another, under Amal-Guindulungan, numbers 12 men, with 8 rifles and 4 revolvers; a third, under Takalu, has 85 men, with 14 rifles, 20 muskets, 1 shotgun, and 10 revolvers. The large bands never operate in a body, but scatter in small groups. Their favorite rendezvous is in the difficult country in and about the Kamanga Valley. A fourth band, under Amal-Marur, consists of only 2 men besides himself, with 3 muskets. Their rendezvous is in Maclu. The three Kamanga bands of outlaws have caused trouble throughout the district from the east side of Lake Lanao as far north as Iligan. A large number of the following list of expeditions was made directly or indirectly on account of the operations of these bands.

Synopsis of expeditions during year ending June 30, 1908.

1907.

- August 28-29. Tomas Torres, with chief of police Malabang and detachment of Philippine constabulary, to arrest Datto Autucan for slavery.
- August 30. Same force to arrest Amal-Bulbul.
- August 31. Tomas Torres, with detachment of Philippine constabulary, to arrest Ampasu for slavery; arrested Madayan Mapait, and Garugadi for carabao stealing.
- September 5. Lieutenant Wood, Philippine constabulary, with Tomas Torres and detachment of Philippine constabulary, to Calauhui to capture Amal-Binassing, for bandolerismo; Binassing and 13 of his men killed, 1 krag, 2 muskets, and 200 krag cartridges captured.
- September 15. Lieutenant Tarbell, Philippine constabulary, with detachment of Philippine constabulary, to Wato to arrest Maguranda for slave dealing.
- September 27. Lieutenant Tarbell, Philippine constabulary, and detachment of Philippine constabulary, to arrest Sultan of Cauayan; captured 1 musket, 3 lantakas.
- November 29. Lieutenant Tarbell, Philippine constabulary and detachment, in pursuit of Cinala, deserter from Philippine constabulary, in Sugud region.
- October 29. Lieutenants Tarbell and Bell, Philippine constabulary, to country back of Gata, to rendezvous of Raja Bugandall, who was reported to be there with 40 guns; enemy absent, destroyed houses and crops.
- November 4. Tomas Torres with 10 Philippine constabulary to arrest Pacalaut, deserter from Philippine constabulary; captured and turned over to Philippine constabulary at Iligan; escaped later.
- November 7. Tomas Torres, with same detachment, to arrest slave dealers Amal-Mutzur and Amal-Bunagan.
- November 13. Lieutenant Tarbell, Philippine constabulary, and detachment of Philippine constabulary, to little Bacolod in pursuit of prisoners escaped from Marahul.
- December 3. Lieutenant Tarbell, Philippine constabulary, with detachment, to Burukut to arrest Manalao and Tiligan, murderers; murderers escaped, 4 of party killed and 1 musket captured.
- December 18. Chief of Police Malabang, with detachment of Philippine constabulary, to arrest Amal-Bulbul.

1908.

- January 2. Attack on Dougherty wagon on Overton-Keithley road by Amal-Guindulungan and band, at Tiradores Hill.

1908.

April 26. Lieutenant Tarbell, Philippine constabulary, with Tomas Torr  s and detachment of Philippine constabulary, to capture Pandapatan of Duluan and Manalao; Manalao and Pandapatan killed; 1 krag, 1 Remington, and 1 belt krag ammunition captured.

May 6. Lieutenant Burr, Philippine constabulary, Tomas Torr  s, with detachment of Philippine constabulary, to Cupapa, to arrest Amal-Marur.

May 9. One Chino wounded and 1 Chino killed by outlaws near Tiradores Hill.

May 13. Lieutenant Fort, Philippine constabulary, and detachment of Philippine constabulary, to Tambag, to arrest Urandig, accomplice in attack on Zamboanga Moros; Urandig and 2 of party killed.

May 21. Lieutenant Hemmet, Philippine constabulary, and detachment of Philippine constabulary, against hostiles in Tugaya; 2 hostiles killed and 2 wounded; later died; outlaw Atta captured by friendly Moros and turned over to the constabulary.

June 2-10. Lieutenants Burr and Whitney, Philippine constabulary, with detachment of Philippine constabulary, to Gas and vicinity; 1 outlaw killed; 1 Philippine constabulary wounded.

June 16. Asmong, suspected murderer of Chino on May 9, arrested.

June 17-22. Camanga expedition; reported June 25, 1908.

June 23-24. Lieutenant Fulton, with Lieutenant Whitney, Philippine constabulary, and detachment, to Tugaya against hostiles; 23 of the enemy killed; 1 Remington rifle, 1 revolver captured.

June 28. Prisoner Atta (outlaw) escaped and Gunda-Uall (Smith murderer) killed while attempting to escape from constabulary at Dansalan.

Amal-Marur is the man who wounded Governor Gard. After this most unfortunate event a number of Moros joined his following until the number reached about thirty. By the untiring work of the constabulary this band was broken up until now only two, besides the leader, remain. It was on one of the expeditions to capture Amal-Marur that the famous outlaw Manalao (leader of the party which murdered Mr. Smith, foreman of the road gang at Mataling Falls) was discovered and killed.

In respect to all these outlaws, the great mass of the Moros about the lake are neutral, not through friendship, but fear. Here, as elsewhere throughout the province, the good Moros will give information to the authorities about the bad ones, and will even themselves arrest them and bring them in, if they are assured of absolute protection from the vengeance of the latter or of their friends. Nothing whatever will accomplish this except the permanent location of constabulary at numerous scattered points. These men speak the language of the natives, establish friendly relations with them, and easily pick up information that no one else can acquire. Then a quiet expedition of half a dozen men will result in the capture, without a shot, of an influential outlaw, followed by the prompt disintegration of the band which he alone could hold together. Until such measures are adopted, continued disorders may be expected to occur. Experience has abundantly shown that regular troops can accomplish nothing in this sort of work. If there be a regularly organized resistance against the Government, if hostile Moros await in their fortified cottas the coming of the troops, the latter can destroy them. But in such work as has for a long time been necessary on the east side of Lake Lanao they can do nothing. The outlaws scatter at their approach, while their mere coming excites fear and suspicion in the minds of friendly Moros. Some always believe that it means the beginning of war and at once join the hostiles. When the body of the population is hostile, that is, when there is a state of war, the troops can restore peace; but to send columns of troops into a country like this and among people like these, when the condition is one of general peace, is a wanton provocation to war.

The most unfortunate incident of the year was the wounding of Mr. Allen Gard, governor of the district of Lanao, on the night of February 20-21, 1908, while attempting to arrest the outlaw Amal-Marur at the Moro settlement of Macadar. Governor Gard was most severely wounded in both thighs and the left forearm. With great difficulty he was removed to Camp Vicars, and thence down the notoriously bad trail to the lake and by quartermaster's launch to Camp Keithley. Here he remained under the care of the army surgeons in the military hospital until May 25, when, under medical advice, he was transferred to Manila in time to take the transport sailing for San Francisco on June 15. It was believed desirable that he should obtain further treatment in New York.

Governor Gard's career has been interrupted—it is hoped not permanently—in the midst of his greatest usefulness. He had acquired a fluent command of

the language of the Malanao Moros, was devoted to his work and to the best interests of the people committed to his charge, and his patience and tact in dealing with them was rapidly winning their confidence.

In the three municipalities of this district there is reported an increased planting during the year of 710,000 hills of hemp, 22,700 cocoanut trees, and 250 hectares of rice. Planting among the Moros has increased largely, but exact data as to this are not attainable. It is, however, a very potent fact that the Moros in the neighborhood of the garrisons and the settlements about them are, as a general rule, very industrious, are increasing in numbers, and are constantly improving their land.

The total amount of land in the Lanao district under cultivation by other than Moros in hemp, cocoanuts, and rice is estimated at 23,000 hectares. The arable land in the immediate lake basin is estimated at 125,000 hectares. This is in the undisputed possession of the Moros, who utilize only a small part of it. All this part of Mindanao is cool and healthful, with abundant rainfall, well distributed through the year, and a fertile soil. The construction of a railroad to the lake will bring about its immediate occupation by natives of all classes and will settle the Moro question forever.

DISTRICT OF SULU.

This district continues to be the danger spot so far as regards the peace of the Moro Province. Since the withdrawal, about a year ago, of the small, light-draft gunboats which were employed by the Spanish and American Governments alike for the suppression of piracy in the Sulu seas, there has been a revival of lawlessness which nothing but the continued presence of these vessels will prevent. The Spanish Government made no progress in complying with its international obligations for the suppression of piracy until it built and maintained this fleet of small vessels. The American Government found them here engaged in the performance of this international duty and continued to maintain them until about the close of the last fiscal year. So far as the government of this province knows, no question has ever been raised as to the necessity of their continued presence. It may be, though it is scarcely conceivable, that the maintenance of the peace for a couple of years, without any serious outbreak of hostility, has given rise to the belief that the Moro has changed his nature. The Joloano Moro is now just what he has always been—a warrior and a pirate. I have talked recently with more than one, still young, with the better part of his life before him, who has told me with great complacency of raiding expeditions in which he had taken part against Filipino settlements as far north as Cebu. There is, of course, no danger of the revival of expeditions on any such scale, though the spirit which led to them is quite unchanged. But the great mass of the Moros, away from the immediate vicinity of garrisoned towns, have no idea of the ultimate power of the Government. They may know that this or that datto in Jolo, or in the Cotabato Valley, or about Lake Lanao, was whipped, but that fact makes almost no impression on the minds of those who are not in constant contact with the troops who did the whipping. Those who are more remote still think that with their kris and camplan and tower musket they are a match, or more than a match, man for man, for the soldier with the Springfield rifle. With men so ignorant, yet so proud and self-confident, whose every inherited instinct from religion and tradition makes them the enemy of the white Christian, it seems strange that we are able to keep the peace at all. Yet the explanation is simple. After his first defeats and while he was getting his second breath, it gradually dawned on the slow-working mind of the Moro that the Americans possibly meant what they said when they declared that they intended no attack on his religion nor any violent or unnecessary change in his customs. He wanted to see and has remained waiting. That is his attitude. He is as ready to fight now as he ever was, but he sees no reason for organized resistance against the Government. He does not regard acts of piracy as resistance to the Government. It is a legitimate source of income to be worked if it can be done without detection. Where the danger of detection is great he does not attempt it. There is no trouble along the Cotabato River—in former days a hive from which pirates swarmed—because a Moro can not there travel half a day in his vinta without running into an American garrison. There is practically no trouble along the south coast of Mindanao because of the garrisons at Parang, Malabang, Tukuran, Margosatubig, and Zamboanga. But in the Sulu district, with its great number of islands, reaching to within sight of the mainland of Borneo, and that part of the Zamboanga district comprised in the island of Basilan and some 50 or 60

islands adjacent to it, the conditions are quite different. The garrison of Jolo can make practice marches, as it constantly does, through that island, and it habitually finds conditions peaceful. But the troops can not pursue murderers and pirates on the sea. Neither the civil nor the military government has any vessels for that purpose. Consequently both of these governments are helpless in the presence of a small band of pirates such as has infested the Sulu seas since the month of November, 1907. To any one who knows the Moro the great danger is that continued immunity will increase both the size and the number of these piratical gangs. A Moro who has successfully defied, even for a short time, the Christian government becomes a hero to his people. To him resort relatives and friends until a state of war arrives. Then the troops must intervene, with much killing and the destruction of property, followed by temporary peace and a general setback of progress for many years. We have killed many Moros and produced peace; why should we not maintain it? Why should we tempt them to war by the withdrawal of the evidences of power the presence of which is the only thing that will keep the Moro at peace during the present generation?

The district governor reports that during the year there have been few acts of lawlessness in the municipality of Jolo, and that the town is in a thriving condition. Its great need at this moment is a new market to replace the present structure, which is a frail nipa shed in a very bad condition and practically beyond repair. It is erected on a piece of land to which there seems to be no claimant except the town of Jolo, but nothing can be done to replace or improve the building until title can be obtained. Due to the recent creation of the municipality of Jolo it appears to be impossible to furnish the necessary evidence that this particular plot of land belongs to the town. A survey has been made and it is intended in due time to make application to have this piece of ground set aside by executive order for public purposes.

The crops for the season throughout the district have not been estimated, but it is believed that owing to the increased amount of land under cultivation, the exceptionally fine condition of the growing crop, and the favorable weather conditions, the percentage of increase in products will be very large. This seems to be especially true in the case of rice and corn. The natives still adhere, for the most part, to their ancient methods of agriculture, although it is noted that through the agency of the Moro exchange the Moros are learning to properly clean their hemp, so that they get the best price for their products when it is put upon the market. There is reported a large increase in the amount of land under cultivation during the year, and a great many rubber trees have been planted.

DISTRICT OF ZAMBOANGA.

With the exception of the island of Basilan this district has preserved profound peace throughout the year. For a long time the coasts of Basilan have been notorious as the haunts of wandering bands of Joloano pirates and murderers. The most influential man in the island has been the Mohammedan bishop, known as the "Salip Aguil." Morally, mentally and physically the Salip is a weak man, and this fact has made him a source of danger and trouble, because he has perpetually fallen under the influence of Moros stronger than he and equally as unscrupulous. The government exercised all its powers of persuasion to induce the Salip to throw his influence, which as Mohammedan bishop was very great, on the side of law and order. Promises were made by him only to be broken. The opposition of the lawless people, whom he had gathered about him, to the government, and their interference with the execution of the laws, progressed to such an extent that the service of court processes was impossible by the usual civil means. His people were armed, and from what was at first defiance of the government in a spirit of bravado they passed to overt acts of lawlessness. It became known that the Salip and his followers were the protectors of the Joloano murderers of Messrs. Case and Verment, the two lumbermen who were killed near the Salip's residence in the month of December, 1907. Finally, at the request of the civil government, a military expedition was organized, which finally resulted in the capture of the Salip and the destruction or disintegration of his band of followers. Since that time it has been necessary to maintain troops and constabulary at six stations in Basilan, Bojelebung, Amaluy, Gulong, Maluso, Isabela, and Sengal. The presence of this force is not made necessary by the character of the permanent inhabitants of the island, who as a rule are peaceful and amenable to the influences of the government. The necessity arises from the proximity of Basilan to the great island of Jolo and to the facilities which it affords as a

refuge to every wandering band of outlaws from the latter island. The frequent visits of small vessels, constantly cruising through the numerous islands between Jolo and Basilan and along the coasts of these two larger islands, would soon restore the confidence of the peacefully disposed native in the power of the government and inspire a wholesome fear of that power in the minds of the lawless.

The district governor reports a slight increase in the population of the district during the year, principally among the Moros, Pagans, and Japanese. There has been a material decrease in the number of Americans, some of whom have gone to other parts of the Philippine Islands, while others have returned to their homes in the United States with no expectation of again taking up residence in the Moro Province. The number of Japanese is reported as constantly increasing and embracing a wider range of trades and professions. They are not as stable and industrious as the Chinese.

During the year there has been great activity in the cutting and shipping of railroad timber from the district of Zamboanga to Cebu. Two new sawmills have been established, one by an American firm at Port Banga, Sibuguey Bay, and another by a Chinese firm at Margosatubig, in Dumanquillas Bay.

In the southern part of the district there have been some ₱150,000 of new capital invested, but in the northern part of the district no new investments are known. It is regretted that the inducements for investment of capital in this northern part are so little known. The rich valleys of the Ilaya, Dipolog, and Lubungan rivers are waiting to be laid out in plantation for the cultivation of hemp, cocoanuts, rubber, and rice. The fine markets of Cebu are only twelve hours away, and two lines of small steamers meet the demands for freight and passenger traffic.

The governor reports that there is universal complaint as to the lack of satisfactory labor for the development of agricultural enterprises. The Filipinos prefer to labor for the military and civil governments, even though more pay is offered by the planters. The allurements of the city have a strong controlling influence with them. The small landowners must attend to their own holdings, and therefore do not seek employment elsewhere. The Moros can generally make more money at fishing and gathering forest products, and they must live where they can best care for their families. They do not wish to travel long distances to and from the place of labor. Moreover, they require training in order to work effectively on the plantations, and this training takes time and patience. With the greatest available labor market (China) closed for the Moro Province, there will be a dearth of available native laborers for many years to come. It seems that nothing can be relied upon to remedy the deficiency except increased numbers of laborers from the natural growth of the population. It is possible, however, that there may be such an influx of Japanese as will afford relief.

Six new Moro exchanges were opened in the district during the year, making the total number now in operation 25. In spite of the increase in the number of exchanges there has been a falling off in receipts as compared with the previous year, due principally to the low market price of hemp and copra, and to the destruction of crops in certain localities by serious floods. But the Moro exchanges do good in other ways than in affording a market to the non-Christian for his products. As the result of the distribution of agricultural implements through these exchanges the natives give evidence of gradually adopting improved methods of tilling the soil, and the opportunity afforded of obtaining simple, sensible, and reliable medicines is slowly, though very slowly, doing away with barbarous practices in the treatment of the sick. The district governor takes the hopeful view that while it requires patience and persistent effort to disarm oriental prejudice and convince the native that western ideas are safe, practical, and useful, nevertheless a better knowledge of western methods in commercial and industrial matters will enable these people to combat and overcome adverse conditions of climate, pests, and changing market prices.

The total amount of business of the Moro exchanges during the year is reported at an aggregate of ₱543,243.28.

CONSTABULARY.

The thanks of the government of the Moro Province are due and are heartily given to the able and hard-working officers and to the faithful and efficient enlisted men of the constabulary stationed within the province during the past

year. Their work has been most arduous and conducted under a serious handicap, resulting from insufficient numbers and insufficient water transportation. Notwithstanding this, they have proved themselves faithful guardians of the public peace. I think that the problem before the General Government and the duty imposed upon it of bringing the general population of the Moro Province upon a level with the population of other provinces as respects civilization and culture and ability to assume the duties of citizenship, calls for an increase in the strength of this one arm of the civil government, and an increase in the facilities which insure the maximum effectiveness to their services.

CHANGES IN PERSONNEL DURING THE YEAR.

The following are the changes in personnel made during the year.*

Very respectfully,

TASKER H. BLISS,
Brigadier-General, United States Army,
Governor of Moro Province.

The EXECUTIVE SECRETARY,
Manila, P. I.

REPORT OF THE GOVERNOR OF NUEVA ECIJA.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF NUEVA ECIJA,
San Isidro, July 17, 1908.

SIR: In accordance with the provisions of Act No. 1044 of the Philippine Commission and of the circular of the executive secretary, dated May 27, 1908, I have the honor to submit herewith my report for the fiscal year ended June 30, 1908.

AGRICULTURE.

The palay crop has suffered quite a considerable decline this year owing to the lack of rain at the time the rice was flowering. The total average loss in this crop was 70 per cent, except in the towns of Bangabon, San Juan, San José, and Santo Domingo, in which there was an increase of 10 per cent over the crop of last year. The area of the land cultivated has increased 15 per cent, more or less, judging from the amount of seed planted by the planters, without counting the large parcels of land which were abandoned in former years by their original occupants owing to want of resources, and which have now passed into the hands of others who have now settled in various municipalities to engage solely in farming and have again put the abandoned lands under cultivation.

The principal agricultural products are rice, tobacco, corn, mongos, and betel. The cultivation of tobacco has increased notably this year and may be considered as one of the products which are to acquire great importance, as it is of good quality. It is largely exported to the surrounding provinces and Manila, where, as is known, it commands the highest price. Corn was cultivated in almost all the municipalities to a greater extent than during the preceding year, to supply the lack of palay, and was entirely consumed in the province. Mongos and betel were cultivated only in Santo Domingo, Peñaranda, and Talavera, and their importance is temporary, as they seldom find good markets.

Taking the data furnished by the municipal presidents as to work animals, it may be stated that the number thereof has increased 20 per cent, more or less, over the preceding year, as, in addition to those brought by immigrants, land-owners have helped by purchasing them in Ilocos and other provinces.

The municipalities which have been favored by immigration are those of Bongabon, Santo Domingo, San Juan, Talavera, and San José, especially the latter, where, approximately, 1,724 have settled this year. The total number of immigrants was 5,074, distributed as follows: Bongabon, 1,095; Santo Domingo, 1,135; San Juan, 922; Talavera, 198, and San José, 1,724. These municipalities

* Omitted and filed in the Bureau of Insular Affairs, War Department.

are generally preferred by immigrants because of their topographical situation, as they can construct irrigation canals and build dams with little effort, and principally because there are vast and fertile areas of public lands within their jurisdictions.

The price of rice has been a little higher this year than last owing to the great shortness of the crop, and famine was suffered for a short time in some places in the municipalities in the southern part of the province, but was soon remedied.

Farmers continue to purchase new agricultural implements and work animals, which are indispensable in the cultivation of palay.

The provincial board, during the last months of this fiscal year, considered various petitions from many residents of the northern part of the province for the construction of irrigation canals and dams, and in some municipalities work has been commenced on them.

Agricultural conditions will in consequence be notably improved, and the writer is confident that in case of a drought like the one of the fiscal year just ended the danger of the loss of the crop will have been averted in various municipalities.

Fortunately no notice has been received in this office of the appearance of locusts; on the other hand, various municipalities have reported that work animals were attacked by rinderpest. Two classes of diseases were reported, one of which has caused many deaths and consists in bloody evacuations; another, of which there were many cases but without deaths, consists in a swelling of the hoofs of the animals attacked, they being disabled for many days. Report of all these cases was made to the bureau of agriculture at the proper time.

COMMERCE.

Commerce also has suffered this year on account of the bad crop experienced, as in this province those who may, in general terms, be called large capitalists are those engaged in the purchase and sale of palay. However, this paralyzation has not been felt so much in the municipalities situated along the railway line, since the merchants therein continued their business, but on a smaller scale than the preceding year. Business on a small scale has been almost equal to that of the preceding year, which was due to the public works undertaken by the provincial board for the purpose of preventing the abnormal conditions which might have occurred on account of the famine that appeared.

Formerly the only products which were articles of commerce were rice, timber, spiny bamboo, betel leaves, gogo, bejoco, etc.; but with the establishment of the railway line domestic fowls, bananas, and other products, which are exported to Manila in considerable quantities, have become articles of traffic. The traffic in these articles, with the exception of rice, has been equal to that of the preceding year.

It is believed that as soon as the roads adjacent to Cabanatuan are improved business will develop more in this part of the province, as it has been observed that with the improvement of the Talavera and Allaga roads traffic between them and Cabanatuan increased as compared with the preceding year, and, in fact, some immigrants who engage in business have settled in these three municipalities during this year.

ECONOMIC AND FINANCIAL CONDITION.^a

By virtue of the provisions of Act. No. 1603, canceling the debts contracted by it with the insular government, it may be said that the province enjoys a relatively satisfactory condition if the reimbursement received from the insular treasury as its share of the internal revenues, which was formerly deducted from what falls to the general provincial funds, be taken into account. Compared with its condition of the past year, the province, by reason of these circumstances, is on the road to progress, and it is hoped that with the land tax will be able to pay its general expenses and to undertake freely a great part of the works necessary for the progress and development of the province.

The loan of ₱5,000 made by the insular government to this provincial government, payable September 30 of this year, can, in the judgment of the writer and taking into account the present financial condition of Nueva Ecija, be paid

^a A financial statement has been omitted, and filed in the Bureau of Insular Affairs, War Department.

on the date fixed without in any manner injuring the business of the provincial treasury.

With respect to this tax, the writer regrets having to call attention to certain inequalities which occurred in the assessment of the lots in the municipalities along the railway line, which was a hardship to the owners thereof, who are generally of the poor class. It has been seen that lots which are worth not more than ₱20, for example, were valued in this assessment at ₱200. This injustice was due in part to the owners themselves and in large part to the temporary employees of the former provincial treasurer.

I desire to state that the assessment made by the provincial assessment board of the lots located in all the municipalities which that body classified as first class were exorbitant, and the provincial board, having so decided, filed the proper remonstrance with the central equalization board, the question being decided unfavorably.

The writer believes the situation unsupportable for the owners, because many of the lots have been assessed, in spite of their true insignificant value, at excessive amounts, the result of which will be that they, instead of paying the tax in accordance with this assessment, will abandon their lots. However, on the supposition that the valuation of the lots will be reduced, there is no fear that the amount realized under the last assessment will suffer any considerable decrease, because the reduction will not exceed 10 per cent, more or less.

PUBLIC INSTRUCTION.

Education has continued to progress since its commencement, in spite of certain difficulties respecting the construction of school buildings, but these, in the majority of cases, have been overcome, and in many barrios of certain municipalities school buildings have been erected at the expense of the people who, in the midst of their poverty, endeavor to contribute with their labor or with what they may.

The writer believes that this province has been one of those which has given a good contingent of students with advanced attainments to the centers of learning in Manila, a fact which patently demonstrates the development of education in this province.

INDUSTRIES.

With respect to industries, I call attention to the statements contained in the annual report of this province for the fiscal year 1907.

NATURAL RESOURCES.

FORESTAL.

In various municipalities, such as Bongabon, San Juan, San José, Carranglan, Pantabangan, and Talayera, there are forests replete with first-class timber; but on account of the distance and the difficulty of transportation they are not exploited as might be wished. However, certain capitalists are at present engaged in the timber trade and make use of the rivers, which are navigable even in the dry season, for transportation.

MINERAL AND LIVE STOCK.

During the fiscal year the number of registered mines has increased by three, and it is expected that in coming years the exploitation of these resources will be extended. All the mines are placer mines, according to the applications registered.

With regard to live stock, it may be stated without hesitation that the number of head of carabaos, as well as of horses, has increased 80 per cent during this year.

NONCHRISTIAN TRIBES.

With respect to the non-Christian tribes, I call attention entirely to what is stated in regard to them in the report for the preceding year, but I must mention that a large part of those who inhabit the rancherías of Bued and San Marcelo, of the municipality of Cuyapo, have wished to contribute to the expenses of the government by paying the personal cedula tax, and I hope that in time we shall succeed in having their kind in other municipalities do the same.

POLITICAL CONDITIONS.

Political conditions are, in general terms, satisfactory. During the past fiscal year it has not been necessary to complain of any disturbances or disorders, for although it is indeed true that there were some cases of this nature they were of little importance, due to the financial crisis through which the people were passing. Crime is decreasing as compared with the preceding year.

The decrease in crime is due to the fact that almost all the municipalities of the province are properly armed, and that municipal officials are well informed as to their duty in watching over the security of their people. Another circumstance which has influenced this decrease in crime was the capture, effected by this provincial government, of the arms used by the robbers in their misdeeds, the number captured during this fiscal year amounting to 9, without counting those which the constabulary secured and those which the possessors surrendered voluntarily through the peaceful negotiations and good tact employed by the chief of the body. All these captures were secured at the cost of an insignificant sum, appropriated for secret service, and often the services of the provincial prison guards were employed.

Before the municipal police of the province were armed some assaults of little importance were reported in the municipalities of Santo Domingo, Cuyapo, San Antonio, San José, and Cabiao, but many of the authors of these assaults are already in the hands of the courts.

During this fiscal year the suppression of carabao stealing has received special attention from this government. The continual loss of work animals had become the nightmare of farmers, but owing to the cooperation of the constabulary and of the municipal officials such acts have been decreasing, and a great part of the animals stolen or lost have been recovered and returned to their respective owners, and those not so returned have been declared estrays and sold at public auction, in accordance with the provisions of Act. No. 1147. During this year the animals recovered numbered 153, of which 31 were returned to their owners and 63 were sold at public auction, the remainder being kept as required by said act until the auction can be completed.

In spite of the action taken by the writer to find Felipe Salvador and his followers, he has found nothing to indicate the presence of any group belonging to that band; the residents of the places frequented by this leader in former times, who were supposed to sympathize with his religious practices, now live peacefully and devoted to farming.

Politics have been very bitter this year, and a tendency is noticed on the part of the beaten factions to put personalities above political questions by formulating unfounded complaints against those in power.

Caciquism in this province has lost much of its power, and it may be said without exaggeration that it has been completely eradicated, as the masses no longer permit themselves to be made the victims of the caprices of those who for their own interests desired at one time to constitute themselves bosses of the people. There is no doubt that the elections are a great factor in the moral and social progress of the people, as in the popular meetings held on account of the elections the masses come to learn not only their duties with respect thereto, but also their rights as citizens.

ADMINISTRATION AND PROGRESS.

The provincial government has attempted, to the extent of its financial strength, to give the greatest impulsion to public works. To this end it undertook the construction work on the roads from Cabanatuan to Talavera and from Cabanatuan to Allaga, and the maintenance and conservation of those leading from Cabiao to Peñaranda.

One reenforced concrete bridge and 14 culverts on the road from Cabanatuan to Allaga, and 2 bridges, also of reenforced concrete, and 5 culverts on the Cabanatuan-Talavera road have been constructed. Construction work on the Cabanatuan-Allaga road has not been concluded, owing to lack of funds; but it is hoped, on the supposition that the land tax will be collected, that work on said road can be concluded the next fiscal year.

RECOMMENDATIONS.

This being preeminently a rice province, a donation from the insular government of ₱30,000 of the funds appropriated by it for the construction of irrigation canals will improve the condition of many farmers who, because of want of means, find it impossible to begin works of this nature.

That the central equalization board take action immediately toward reducing the assessment made by the provincial board of the value of the lots in the province.

It is suggested that an act be passed by the legislature for the reorganization of the municipal police so that this body shall form a company of not less than 130 men for this province, at the rate of 7 for each municipality, to be organized and disciplined by the provincial governor, or, in his stead, by a constabulary officer, and shall thereupon be distributed in the different municipalities under the immediate orders of the respective municipal presidents, the provincial governor being permitted, when the public interests so require, to change the detachments. In this manner a more efficient service of this body will have been secured, which will be aided by the increased salary, as the number of municipal police will be smaller, and that this salary be paid by the province and reimbursed pro rata by the municipalities in proportion to the number of policemen and the time they have been stationed in each thereof.

Respectfully submitted.

MANUEL TINIO,

Governor of the Province of Nueva Ecija.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF NUEVA VIZCAYA.

OFFICE OF THE GOVERNOR,
PROVINCE OF NUEVA VIZCAYA,
Bayombong, August 28, 1908.

SIR: I have the honor to submit my annual report for the fiscal year ended June 30, 1908.

GENERAL CONDITIONS.

The fiscal year just closed has been marked by a revival of agricultural progress and a marked increase in the number of work animals in the province. The carabaos and cattle of the province, which were almost wiped out of existence by the rinderpest epidemic of five years ago, have been slowly and steadily increasing since, but during the past year the increase in work animals has been more marked because of the number brought into the province by immigrants, mostly from Pangasinan and the Ilocos provinces.

A count of the work cattle included in the property declarations on file in the townships of the province show 3,900 carabaos and a little over 1,000 vacas, in all 5,000; and the acreage planted to rice, which is and will continue to be our staple crop, shows a steady improvement.

Immigrants have established themselves in several new barrios where the land is of the best quality and irrigated with almost no labor, and are inducing their friends and neighbors to come into the province from their former homes, where all the land is privately owned and the opportunities not so great for poor families to better their condition.

A serious interruption to the continuance of agricultural progress was, however, threatened near the close of the fiscal year just ended in the outbreak of rinderpest among a lot of carabaos just arrived from Ilocos Sur, in Piddig, a barrio of Bayombong.

As soon as the disease was discovered everything possible was done to check its spread temporarily, and the bureau of agriculture was appealed to for aid.

The disease had made some headway, however, several centers of infection having developed before the veterinarians of the bureau could begin effective work, owing to our remoteness from Manila and the great demand for serum elsewhere.

When, however, the work was begun, under Dr. Charles Thompson, of the veterinary corps, and his force of inoculators, headway began to be made in reducing the progress of the disease, and at present the province is free from infection, although, unfortunately, animals that passed through for Isabela at the time the originally infected animals arrived here infected that province, and the disease is now prevalent throughout the Cagayan Valley and is giving great trouble there.

We have established a strict quarantine against Isabela to prevent reinfection, and it looks at present as if we would escape with the loss already sustained—210 animals, of a value of not less than ₱20,000.

No more convincing demonstration could have been given of the success of the inoculation treatment than the results obtained in this epidemic.

At first the owners of animals were afraid to bring in animals for inoculation, fearing that they might die from the treatment, and would evade doing so when the animals were called for. But it was soon apparent to the most ignorant and the most skeptical that inoculation produced immunity, and animals were brought to the inoculators faster than serum could be obtained with which to inoculate them.

An unusual feature of the epidemic was the percentage of cases that recovered, which was very high, due probably to the fact that the disease appeared in the season when the animals were not worked down and weakened physically and were in the best possible condition to resist it, the pasturage having been unusually good.

I feel that in view of the severity of the epidemic in the Ilocos provinces, from whence the disease was brought here, and the severity with which it went through the rest of the Cagayan Valley, the people of this province are to be congratulated on their escape with a loss of a little over 4 per cent of their animals, and this fortunate result is to be attributed to the cooperation of the township officials and people with the veterinary corps.

PUBLIC WORKS.

Work on roads and bridges in the organized townships during the year has been confined to maintenance and repair work on the main highway through the province from San Nicolas, Pangasinan, to the Isabela provincial line, about 110 miles in length.

Of this 60 miles is the Padre Juan Villaverde trail, for which an insular appropriation for the fiscal year of ₱3,000 for maintenance was made. Being a new road and much traveled by carabaos, which are our principal pack animals, it has not been possible to do much more than keep it in good repair, though something has been accomplished in the way of reducing grades and cutting out unnecessary bridges.

It is hoped during the coming year to do more work in the nature of permanent betterments on this road, though the annual appropriation of ₱3,000, of which renewal is asked, should be increased for this purpose.

Owing to the sparse settlement of the great extent of territory that this road serves, it will have to continue to be maintained as an insular road for the present.

The income of the province from the special road tax of ₱2, which is paid by every cedula-paying adult, will be very nearly ₱10,000 when collections now in are reported from all the towns.

The townships, with the exception of Bayombong, have no presidencias, and it is contemplated by the provincial board to make loans to Solano, Bagabag, Bambang, and Dupax of approximately ₱1,000 each at 3 per cent interest to aid them in the construction of suitable presidencias, the same to be returned in small annual installments and the money when repaid to be expended on provincial road and bridge work within the respective townships.

The amount now accumulated in the road-tax fund will enable this to be done, and because of the poverty of these towns they can not obtain municipal buildings without such aid, their incomes being only sufficient to pay their running expenses.

In the non-Christian territory of the province a road approximately 40 miles in length from the summit of the Polla Mountain range, beginning at a pass of 6,300 feet elevation, on the boundary of Lepanto-Bontoc and running to the rancheria of Pindungan, has been constructed during the year.

This road has a grade throughout of never more than 6 per cent and averages no more than 3 per cent. Starting at an elevation, as already stated, of 6,300 feet, it descends to 1,600 feet at the crossing of the Ibelao River at the rancheria of Mangayan and descends again to 2,500 feet at its terminus at Pindungan.

The value of this improvement can be adequately realized only by those who have traveled over the old trail connecting the two points and have also ridden over the new one.

The cost has been nearly ₱18,000, defrayed from the province's refund of internal revenue corresponding to the wild-tribes population and an allotment of ₱4,000 from the legislature's general appropriation for roads in the provinces.

The work has been done remarkably cheap and has been of great value in teaching the Igorots the right kind of road work, and in bringing together, for work, widely separated and formerly hostile rancherías.

This road with that into Pindungan from the south, constructed some years ago by Padre Juan Villaverde, forms a continuous highway on an easy grade, though as yet only of trail width, from the main east and west highway through the province to the province of Lepanto-Bontoc.

The constabulary have during the year constructed, with enlisted and Igorot labor, commodious and substantial buildings at Banaue, in the heart of the Ifugao country and on the line of the road just described, including a very comfortable officers' quarters, which affords comfortable and hospitable entertainment to visiting court, insular, constabulary, and provincial officials.

These buildings are equipped with a water system affording an inexhaustible supply of cold mountain water and adequate fire protection from a spring situated at a high elevation above the constabulary reservation.

The provincial high school at Bayombong, for which ₱10,500 have been allotted by the bureau of education, has been under construction during the year under the superintendence of the provincial foreman.

It will be an attractive and commodious brick building of two stories, with shell windows, roofed with California redwood shingles.

A provincial storehouse and stables and a powder house are under construction in Bayombong, which, with the provincial office building completed in 1906, will give us a good permanent equipment of provincial buildings there.

NONCHRISTIAN TRIBES.

The good work done by the constabulary in the populous Ifugao country, in the northern part of the province, by Captain Case, senior inspector, and by First Lieutenant Gallman, commanding the second company, has been continued during the past year and greater tranquility has obtained and more progress been made in bringing all of these people under complete control than in any year since the opening up of the country after the establishment of the provincial government.

Some 65 rifles have been gotten in from the Ifugaos and Silipanes, by far the larger number that were out.

Only one armed punitive expedition has been necessary during the year, that against the district of Lingay.

I quote from the report of Lieutenant Gallman, who conducted this expedition:

"On March 31 a detachment of four policemen was sent out on the Banaue-Qulangan road. While they were in one of the barrios of Namulditan one of them was murdered by a man from Lingay, the murderer getting away with the policeman's revolver.

"The expedition was made for the purpose of apprehending the murderer, recovering the revolver, and capturing several guns known to be still out in Lingay.

"A detachment of 25 men from the First Company, Native Volunteers, at Bayombong, was sent to Qulangan to take part in the expedition. On the morning of the 3d, with 19 men, I left Banaue at 2 a. m., entered Lingay from the north at 7 a. m., at the same time Subinspector Melmban entered from the south with 17 men and the company's first sergeant entered from the east with 15 men.

"Lingay is scattered and is comprised of 15 or 16 barrios or rancherías. The mountains are very precipitous and many of the rancherías are very difficult of access. This is especially so of one of them, Daligan, all approaches to which being covered with dense undergrowth and, with the exception of one, very steep.

"It was known that the Lingays had fortified themselves at this place and were confident of making a successful defense, and it was hoped that by entering the district from different directions it would result in driving all the guns and fighting men to make a stand here. The result failed to materialize, however; their guns, to the number of 11, remaining scattered throughout the district and located in places from where they opened fire on the detachments, and from where it was very difficult for the soldiers to make effective return. Practically all the houses had been dismantled, their cogon roofs removed, and set on fire. All their movable property, such as hogs, chickens, etc., had been hidden in the

mountains. They had evidently been informed of the pending arrival of the soldiers and were preparing for a vigorous resistance. Lingay has an estimated population of about 3,000.

"On arriving at the first rancherías and seeing that there was no probability of getting them all together I hurried on to Daligan with 6 men. At this place struck between 30 and 40 men entrenched on an eminence in the midst of the "bosque." On our approach we were met by a shower of stones, wooden and bamboo spears. Two guns were also used. After a few minutes of fighting they were driven out, but on account of the nature of the country it was impossible to administer to them the lesson that I hoped to. However, the two men who were using the guns were killed.

"Subinspector Melmban's detachment was also attacked with stones and spears on their entering one of the rancherías.

"During the afternoon all the detachments were assembled and camp made for the night. On the 4th Subinspector Melmban returned to Qulangan for supplies, returning to Lingay on the 5th.

"During the 4th, 5th, and 6th small detachments were engaged in the pursuit of the men with the guns, several small skirmishes resulting. On the morning of the 7th 9 Remington rifles and the revolver of the murdered policeman had been recovered. During the afternoon on this date I returned to Banaue with 19 men, leaving Subinspector Melmban and 25 men in Lingay. On the 8th a Remington was brought to Banaue by a friendly cabeclila whose rancheria is adjoining to Lingay. On the same date Melmban captured the one remaining rifle and returned to Qulangan.

"The expedition resulted in the capture of 11 serviceable Remington rifles and the murdered policeman's revolver. According to reports received from Lingay since my return they suffered a loss of 10 killed and some wounded. There were no casualties among the soldiers, though some were struck with stones, but the injuries were trifling.

"It has been known for a long time that there were guns at Lingay. At first it was thought that it would be possible to get them to surrender them one or two at a time without the necessity of having trouble. Later, when this was learned to be impossible, that instead of surrendering those they had other guns that we were after were being sold to Lingay, it was decided to wait and get as many guns as possible located at this one place and then go after them. If it had not been for the murder of the policeman this expedition would have been postponed until the rice harvest should begin, which will be in about six weeks."

The annual visit of inspection of the secretary of the interior was memorable for two great cañaos given by him to the Ifugaos at Banaue and Pindungan, respectively. Several thousand Igorot were in attendance at each, and the gatherings were productive of great good in bringing home to them, in a concrete way, the fact that the central government has them in mind and has plans for their material improvement and advancement.

The secretary of the interior had approved the expenditure of ₱2,000 of township and settlement funds to stock a post exchange at Banaue with goods used by Igorots for sale to them at cost and moderate profit, the profits to be used in increasing the stock of goods carried. It is hoped also to afford the Igorots a market for articles of their manufacture and to build up native industries among them through the incentive which will be afforded by giving them a place to spend their money in purchasing at reasonable prices goods they really need. The goods for this exchange are now arriving and the exchange will be open for business very shortly. The success of the plan seems assured, as our Ifugaos have been among the best customers of the exchange that has been in successful operation at Bontoc for a year past, and are enthusiastic at the prospect of having one of their own.

I have long been of the opinion that the wild tribes' population credited to this province by the official census of 1903 is far below the true figures, and I believe the time has now arrived when we can make an accurate and complete enumeration. The question is one of practical interest to the province, as our share of the refund of internal revenue is directly proportional to the population. The work of making a new enumeration need not be very expensive and can be assisted in very materially by the constabulary. We have asked in our annual estimate for an appropriation for this purpose.

The following "Summary of census of non-Christian tribes, Nueva Vizcaya," was prepared by my predecessor, Gov. L. E. Bennett, who acted as supervisor of the census for the province.

Summary of census of non-Christian tribes, Nueva Vizcaya.

District.	Number of inhabitants.	District.	Number of inhabitants.
Magulan.....	4,148	Banaue.....	2,733
Ayangan.....	3,076	Abinuan.....	2,185
Banao.....	1,265	Tanao.....	3,545
Anao.....	3,795	Mayoyao.....	3,761
Sapao.....	1,792	Bunglan.....	1,560
Cababuyan.....	1,108	Allmit.....	5,247
Lingay.....	2,200	Isanay.....	2,700
Aua.....	1,500	Ilongots.....	698
Boco.....	1,912	Total.....	46,519
Magguc.....	1,882		
Asin.....	1,899		

At the time the census of 1903 was taken, the region inhabited by the Ifugaos in the territory formerly included in the comandancia of Quilangan had not been opened up since the Spanish authority was interrupted in 1896, and it was impossible to make an actual enumeration of the inhabitants. The enumerators had to go through the country with a strong guard and had to content themselves in most cases with overlooking from a mountain range a few rancherías of a populous district and with making an estimate of population from information obtained from the Igorots. As the enumerators were mainly Christians who had never visited the Igorot country, and the constabulary escorts were composed of Christians new to the country, and the Igorots from whom they obtained information had not the ability to count and would deliberately deceive them in many cases, it was impossible for them to get an accurate census.

Since the Ifugao country has been reoccupied, it is possible to check their results with the known population in many of the districts covered by them, and I am of the opinion that the figures of 46,519 population of non-Christians for the entire province are less than half the true population of non-Christians. In some of the census districts into which Governor Bennett divided the territory we now know that his figures are less than half the true population. In Banaue there are 7,500 persons, not including all the rancherías that Governor Bennett's enumerators included in Banaue. Sapao and Lingay census districts as grouped by the enumerators have easily twice the population given for them by the census takers.

On the other hand, Allmit, for which the enumerators got 5,247 population, is a very sparsely settled district, one of the least populous of all, but all the rancherías could at that time easily be, and probably were, visited and accurately enumerated, and the figures obtained for Allmit will probably be found to be very nearly correct.

For the Ifugaos and Silpanes in the comandancia of Quilangan, Lieutenant Gallman, of the constabulary commanding the post at Banaue, makes the estimate given below, which is very carefully made after visiting all the districts.^a Some of the districts are grouped differently than in Governor Bennett's enumeration, but they include all but about 6,000 of the non-Christians he enumerated, and I believe that when a new count is made the 100,000 estimated for the Ifugaos and Silpanes of Quilangan comandancia will be found to be within the actual number.

I do not wish to be understood as criticising the census work done by Governor Bennett, as it was done as well as was possible under the circumstances, and advantage had to be taken of the provision in the census regulations that where it was impossible to visit and enumerate the wild tribes the best estimate possible was to be obtained.

I desire to speak here of the good work accomplished during the year by Third Lieutenant Melmban, of the constabulary, detachment commander at Quilangan (Pindungan), who has, by tact and good management, combined with firmness, pacified and brought in some very bad rancherías, and has had them open up good roads over which it is possible to reach them much more easily than formerly.

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

Regarding the Ibelaos or Ilongots, I have to report a record year, in that there has not been a single killing by them of Christianos. They have been visited more frequently than ever before, which serves to keep them reminded that any renewals of their cowardly assassinations will be likely to bring severe punishment on the guilty rancheria. The last killing of Christianos by Ibelaos was the murder by them of 3 men of a band of Dupax hunters, which occurred in June of 1907. The constabulary succeeded in capturing two of the band that did the killing, one of whom was convicted in the court of first instance and the other acquitted for want of sufficient evidence.

From all accounts there are considerable numbers of the Ibelao tribe farther in the interior than there is any record of anyone having gone. It is my desire, as soon as the cessation of the present rainy season will permit, to make a more extensive trip into the Ibelao country than has yet been undertaken and to explore as thoroughly as possible the territory included in the former territory of Bitanangan, which was formed in 1892 for the purpose of controlling the Ibelaos, having its cabecera in the now abandoned sitio of Bitanangan, where a company of infantry was stationed as a garrison. Except for the establishment of this garrison, which was about six hours' march from Dupax, for the protection of the Christian towns against the depredations of the Ibelaos, no other effort was made to occupy the territory included in the comandancia, and no reconnaissances were made into its interior.

FINANCIAL.

The following is the financial statement covering the fiscal year: ^a
Respectfully submitted.

LOUIS G. KNIGHT,
Governor of the Province of Nueva Vizcaya.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF OCCIDENTAL NEGROS.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF OCCIDENTAL NEGROS,
Bacolod, July 28, 1908.

SIR: I have the honor to transmit herewith my report for the fiscal year ended June 30, 1908.

Before proceeding, however, I wish to call attention to the fact that my term of office did not commence until March 2, 1908, at a time when the period covered by the present report was already drawing to a close.

The following is an outline of the progress between July 1, 1907, and March 2, 1908, and the conditions as I found them on taking office:

RÉSUMÉ.

Provincial administration.—When I became governor the administration of the province was in a perfect state of progress, judging by the activity with which the public works had been undertaken.

Public works.—Between July 1, 1907, and March 2, 1908, when I took charge of my office, 9 important bridges were being constructed, 3 of which were still uncompleted. These are of reinforced concrete, and cost ₱20,393.22. Between July 1, 1907, and March 2, 1908, for the construction and repair of roads and culverts there had been expended ₱23,603.20; for the construction, repair, and preservation of provincial buildings, ₱1,852.81; and for provincial schools, ₱28,145.51. It is therefore seen that during the period mentioned there were expended in this province, for permanent public works, ₱73,994.74, which represents over two-thirds of the total annual income thereof.

Public instruction.—In the month of February, 1908, the total matriculation in the public primary schools was 17,500, while in the same month in the year 1907 it was only 16,976, which shows an increase of 1,524. This gain in the school attendance gives us the consolation and hope that the people more and more appreciate the educational work of the government.

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

Public order.—Peace and order were completely reestablished and fully preserved. It can not be concealed, however, that there exist a few small bands of robbers who confine themselves to stealing carabao and articles of small value when an opportunity offers itself.

Having given a slight sketch of the situation of the province at the time I took charge of its government, I shall now endeavor to show its present condition, dealing separately and in the proper order with the matters affecting it.

AGRICULTURE.

Rice.—Little of this cereal has been produced, if we compare the production of this year with that of ordinary years.

The inclemency of the weather, with its continual and prolonged droughts and torrential rains, destroyed a large part of the crops which we had expected to harvest, to such an extent that in some of the rice-growing pueblos of the northern and southern parts of this province the farmers scarcely recovered their seed.

It is true that there were favored pueblos, such as Ilog, Himamaylan, Isabela, Hinigaran, and Bago, which harvested a satisfactory crop, estimated at 15 per cent more than that of the previous year; but this small increase in the production of these pueblos does not even cover two-fifths of the total loss of crop suffered by the entire province.

In order to give one a slight idea of the shortness of the crop in this province, it is sufficient to cite the fact that in some pueblos renowned for their abundant production of rice in other years a ganta of unhusked rice cost ₱0.20 when the harvest was at its height. At present, owing to the large influx of imported and Calumpit rice, the average price of unhusked rice is ₱3.

And if we add to all this the locust plague, which is now ravaging the young rice and sugar-cane plantations in the municipalities of Ilog, Kabankalan, and Himamaylan, we may predict that the distressing crisis which is now ruining us will become more and more aggravated next year.

Sugar.—Everything we have said of rice can be said of the sugar, the production whereof declines from day to day.

This is by no means due to a lack of willingness on the part of the farmers, but to the fact that to-day the same conditions prevail that have prevailed for the last two years, with the sole difference that the outlook for the future becomes every day sadder and gloomier for the long-suffering farmer.

The mortality among the cattle, the lack of capital, and the lack of a market for the products are the three causes which years ago created and are now prolonging the present situation.

All hope is centered upon the reduction of the Dingley tariff or its abolition, if possible, as it is thought that only such action can bring about a better condition for the farmers.

Abaca.—This product is now giving encouragement and some slight hope to the farmers.

Its cultivation, which is becoming general, especially in the municipalities of Cadiz and Bago, where the production already amounts to several thousand piculs, constitutes at present the ambition of the farmers.

However, its cultivation encounters a great difficulty from the fact that the bulk of the land suitable for this crop is public land, and that portion belonging to private citizens is completely uncultivated and necessitates a large expense for putting it into condition for planting.

The lack of security in the localities in which this land is situated in the surroundings of Mount Canlaon and other mountains, presents another drawback.

The lack of communication and the enormous distance to the nearest settlements deters the farmers from cultivating this virgin soil.

Cocoanuts.—The cultivation of the coconut is doubtless destined to give a new direction to farming in this province if the progress made during the last year continues from year to year with the same intensity. I know farmers who, thoroughly discouraged by the results of their sugar-cane plantations, gave their efforts completely to the planting of coconuts, some of them planting over 30,000 trees in less than eight months.

The various uses made of the products of the coconut tree are too well known to again require enumeration, and I shall confine myself to saying that the average annual income from one coconut tree is ₱1, whether the tree is used for the production of tuba for distillation, or for that of copra, or for the sale of the nuts by the hundred, without preparation.

Miscellaneous products.—Variation of crops is being introduced with positive advantages, and the system followed by some farmers of combining the planting of sugar cane with that of maize brings them large revenues.

Corn constitutes the principal foodstuff of the laboring class of the extreme north of this province, and this wholesome and substantial food is being introduced in some pueblos of the south. In some of the haciendas of the south the laborers are already offered rice and corn mixed as food. The corn crop in San Carlos has been satisfactory this year. The production has not only been sufficient for local consumption, but even for sale to other pueblos.

Maguey is another product the cultivation of which is becoming more and more general. During this fiscal year a large quantity of seeds have been distributed and planted, with good results. Although some of the bulbs received were almost dry, over one-half of them grew satisfactorily.

Estimate of production.—The total production of rice during the present year is calculated at from 450,000 to 500,000 cavans in the entire province, more than one-third of it being taken to Iloilo. The rice crop harvested this year is estimated to have fallen 25 per cent short of that of last year.

In the year 1905 some 678 sugar plantations were running in this province, and last year there were only 326. The majority of these plantations were abandoned on account of the lack of capital and work animals. Much of this property fell into the hands of creditors, who took possession of it, in view of the great indebtedness of the former owners, who were completely ruined by the many adversities which had befallen them, and by the large interest which they had been compelled to allow to accumulate on their indebtedness, that they were unable to pay.

This is the present situation of the province from an economic view point, and if it is not remedied it will plunge the people into the uttermost misery.

COMMERCE.

In view of the ruined condition of agriculture, the commerce of the province is languishing. The transactions are of minor importance and do not end, or even more or less remedy, the critical situation of the merchants. Aside from the fact that in the pueblos the local commerce is almost entirely monopolized by the Chinese, who invade everything, the Filipino merchant is condemned to an insecure life, because in his competition with Chinese capital he can not use the same means as his competitors. The Chinese, by either adulterating their merchandise with substances that increase their quantity and lower their quality, or by using illegal and short weights and measures whenever an opportunity presents itself, make large profits, selling more cheaply than the Filipino merchant, who is not accustomed to the art of cheating and deceiving.

Notwithstanding this, it can not be denied that during the last year some little progress was made in the local commerce, judging by the collections of the internal-revenue taxes, which is an index of the commercial prosperity in the Philippine Islands.

INDUSTRY.

Few persons are engaged in the manufacture of textiles, and the production does not, for this reason, exceed that sufficient for the needs of the producer, or at the most, for the needs of each town.

There are several industries, among them the manufacture of sinamay hats, but the products sold do not find the necessary patronage and acceptance on the market, and for this reason this industry, like the others, does not make the progress desired.

POLITICAL CONDITIONS.

The political conditions prevailing at present are most satisfactory.

The policy of the reconciliation of the opposing parties, who were fighting each other bitterly during the past elections, initiated by the provincial board, has been seconded by the local authorities with a success which predicts the triumph of unity in the pueblos.

The fact can not be concealed, however, that there are insane elements in the pueblos, which obstruct this plan of reconciliation by their preaching and verbosity; but fortunately these persons are little by little demonstrating to the people that they are confirmed disturbers who want to turn everything upside down in order to gather rich spoil.

Then, there is another set of people, though fortunately few, who busy themselves making everybody willing to listen believe that they are the victims of alleged injustice; that the authorities are corrupt and abuse their powers in order to commit outrages, and that there exists between them a criminal fraternity which renders them strong in their desire for gain. These men are a menace to the public tranquillity and are more dangerous than those who transgress openly against peace and order, because their machinations tend to undermine, little by little, the faith and confidence of the people in the justice and rectitude that inspire our laws and in the honesty of the persons vested with authority. However, this class of men is little by little losing its influence in the pueblos, owing to the fact that on many occasions they have proved to be systematic obstructionists.

PUBLIC ORDER.

The general tranquillity is the consoling feature predominant in this matter.

The surrender of Islo and his followers and the subsequent capture of important brigand chiefs have been of great benefit to the public tranquillity, as they resulted in the complete dispersion of the armed organization in this province known by the name of "pulauan."

Luckily the unfortunate condition created by the after-effects of the late insurrection against Spain, and enlivened by the religious fanaticism of an irresponsible mob, ceased the moment the chief and supreme dictator of that terrorizing organization, the so-called "Pope" Islo, and his principal followers surrendered to Capt. George B. Bowers, late senior inspector of this province, in the mountains of Isabella, on August 6, 1907.

At present the province enjoys such peacefulness as has not prevailed for twenty years past.

In the south of the province, where public works have been undertaken with some activity during the past and present years, complete tranquillity has prevailed. Not a single case of robbery has been reported, though in some of the pueblos of the south the farmers allow their animals to pasture in their fields without a herder.

This convinces me that no more outlaws or organized bands of brigands engaged exclusively in robbery exist in this province, because the isolated cases of robbery occur only where the crisis is the most severe.

I have spoken of murders, and though it is true that these occur they are the consequences of brawls and not of brigandage, and therefore do not occur frequently.

MUNICIPAL ADMINISTRATION.

From a general viewpoint.—In general, municipal administration in this province has improved.

It seems that three years ago the persons who had the "executive capacity" for municipal administration were a dozen or so in each pueblo, and for this reason the officials were always reelected, as if executive capacity resided solely in them.

This state of affairs did not prevail during this year, as the popular elections resulted in the selection of those who had never held office under the present régime or even under Spanish rule.

This promising circumstance is perhaps due to the fact that the election law has elevated and dignified the exercise of suffrage, doing away with the withdrawal of others well qualified and excellently equipped for election by their pueblos to occupy posts of importance in the local government.

This is the reason why I have affirmed that the province of Occidental Negros has progressed greatly in municipal government.

Material progress.—We have not only progressed morally in municipal government, but have also advanced materially.

The municipal officers have been uniformly unselfish, and have voluntarily waived a portion of their salaries to pay either subordinate more intelligent and capable personnel in order to bring about an improvement in the local administration, or for the purpose of preventing the funds for public works from suffering.

Owing to the above it has been possible to construct several barrio school-houses. Important stretches of municipal roads have been repaired and ordinances have been passed and measures adopted tending to foster the development of the local industries. A great improvement has also been made in the municipal police, which is being perfected, great care being taken in the selection of the personnel.

FINANCIAL CONDITION.

The financial condition of the province has notably improved.

In order not to have to go into details, your attention is invited to Exhibits Nos. 1 and 2, attached hereto.*

PUBLIC WORKS.

This is doubtless the branch which has merited this year, and will always continue to merit, the greatest attention of the provincial board, as its progress signifies the progress of the province.

During the year 14 bridges have been constructed, at a cost of ₱35,202.62, and 3, whose probable cost has been fixed at ₱18,300, are in course of construction, all being bridges of much importance. There have been expended for the repair and preservation of provincial buildings ₱1,844.78; for the repair and preservation of bridges, ₱385.50; for the construction of provincial buildings, ₱465.84; and for the construction and preservation of wagon roads, ₱52,834.60. Altogether there were expended for public works in this province during the present year ₱109,033.34 for provincial public works alone. For various purposes, as the construction or preservation of school buildings, or for their proper repair, ₱28,299.12 were spent, which, added to the expenditures of various provincial works, gives the sum of ₱137,332.46, a total representing a little less than the total of the revenues of the province during the entire year.

PUBLIC HEALTH.

Since last year (July 1, 1907) and until the time of my closing this report public health in this province has not been disturbed by any disease of an alarming character, and though cases of cholera are reported from Iloilo, continues to remain in a condition which could not be better.

Respectfully submitted.

M. YULO,
Governor of the Province of Occidental Negros.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF ORIENTAL NEGROS.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF ORIENTAL NEGROS,
Dumaguete, July 11, 1908.

Sir: I have the honor to submit for your consideration the following report for the fiscal year ended June 30, 1908:

AGRICULTURE.

In my previous report I referred to the great calamities which were harassing the agriculture of this province, and I regret to have to write the present report under the burden of the many evils which up to the present threaten to destroy its only source of wealth.

On the one hand we have the death of animals which has become endemic in this region and which, although not causing as great havoc as it did in the first days of its appearance, is certainly and gradually destroying the existence of the few cattle which remain here.

To convince ourselves better of this assertion I give below the number of animals which have died during the year:

Horses	250
Carabaos	667
Cattle	536
Sheep	106
Goats	675
Hogs	9,348
Domestic fowls	7,000

* Omitted and filed in the Bureau of Insular Affairs, War Department.

The foregoing table is an evident proof that the agricultural condition of the province is constantly becoming more critical because of the scarcity of work animals.

In my previous report, speaking especially of the lack of cattle, I suggested the substitution of machinery for animal power, and apropos of this I would recommend the passage of the Montilla bill proposing the appropriation of a sum for the purchase of steam plows.

I am sure that these machines furnished to agricultural regions either on credit or on other conditions will greatly alleviate the critical condition through which the general agriculture of the country is passing.

On the other hand, we suffer from lack of cash capital, which for some time past has formed a bar to the development of agriculture.

At the present moment, however, a small reaction is noted among the farmers of this province, a gleam of hope in a more smiling future on account of the appropriation by the Philippine Legislature of ₱1,000,000 as capital for the establishment of an agricultural bank.

It is undoubtedly true that a banking institution would raise agriculture from its present prostration, but in order for this remedy to be efficacious it is necessary that it be put into operation immediately, as under the present conditions all delay in furnishing it the cash capital which it needs is equivalent to permitting its complete stagnation.

The province was in June last invaded by locusts which did much damage.

Notwithstanding so many misfortunes, the products obtained during the fiscal year were of—

Abaca	piculs..	35,000
Sugar	do.....	44,000
Copra	do.....	17,000
Cotton	do.....	2,000
Corn.....	cavans..	209,170
Tobacco.....	bundles..	40,000

If we compare the quantity of products during the present fiscal year with that of previous years we must note a remarkable constant annual decrease.

If the great evils through which agriculture has been passing be borne in mind, it is easy to see that the present crop has been secured at the cost of great sacrifices and of great efforts on the part of the farmers.

INDUSTRIES, MANUFACTURES, AND COMMERCE.

Industries.—Little or nothing can be added to what was stated in my previous report on this branch, as, this province being, as I have stated, essentially agricultural, owes its principal source of wealth to the cultivation of the soil.

According to the data collected, there has been little change in the few industries in the province, the number of sacks, nipas, and mats manufactured being almost the same as the past year.

Manufactories.—There is none in the province except that of soap, which is in the hands of the Chinese.

The nipa vino factory in the town of Tanjay, which I mentioned in my previous report, ceased operations the middle of the present fiscal year.

Commerce.—The commercial markets of this province are Cebu and Iloilo, whither its products are exported for sale. There are various agencies or branches here of the commercial houses established in those points which buy up our products.

The greater part of the business is in the hands of Chinese.

The principal products of the province which are objects of commerce are abaca, copra, sugar, corn, tobacco, cotton, rattan, timber, and sacks.

Abaca, one of the products of the greatest importance, is quoted at a price so low that it causes general discouragement to the extent that the producers of this textile find themselves obliged to abandon its cultivation or see themselves ruined.

The importation of rice is larger this year than last, owing to the fact that the corn crop was smaller than that of the past year. The price of rice varies from ₱6.85 to ₱7.40.

The high price at which this article of prime necessity is quoted has contributed and does contribute toward making the condition of agriculture in particular and of the whole province in general more critical.

I would suggest that the duty on rice be abolished or at least reduced while the shortness of the native rice crop continues, as thereby a reduction in the price of this article of prime necessity will be secured.

PUBLIC INSTRUCTION.

The satisfaction that one who governs a province feels on seeing the great progress which one of the important branches of public administration annually makes is great.

Those who have visited the towns and barrios the past years, and those who have visited them the present fiscal year, can truthfully state that great advance has been made in education. This is naturally the fruit, on one hand, of a love of knowledge and education, and, on the other, of the interest taken by those who by law and through duty work for the intellectual progress of the Filipino people.

But greater hope can be entertained for the future when Act No. 1801, appropriating funds for the construction of barrio schoolhouses; Act No. 1866, which appropriates ₱190,800 for salaries of barrio teachers; Act No. 1813, which authorizes the governor-general to transfer land with buildings and improvements for school purposes, and the act authorizing the establishment of special classes of advanced instruction for municipal teachers, are put into practice the next fiscal year. But the benefits of these acts would not be complete without another which would make the attendance of children at school compulsory, as I suggested in my previous report.

In addition to the building destined for the high school, a school of arts and trades and of domestic science will soon be erected in this capital from provincial and insular funds. I hope to open these two buildings in the first months of the next fiscal year. Doubtless much can be hoped for from the benefits which these branches of teaching may bring with them, as is to-day seen in the results from the industrial department of the Silliman Institute.

Comparing the number of pupils matriculated and the average attendance for the fiscal year 1907 with those for the present year we note highly satisfactory progress.

The public schools, as stated in my previous report, numbered only 80, while to-day there are 102, an increase of 22. Owing to this increase in the number of schools, an increase is noted in the number of teachers; instead of 128 there are now 189.

But notwithstanding the increase in the number of teachers it has been seen in practice that the present number is inadequate and insufficient, and I earnestly request, in the name of these people eager for progress and instruction, a reasonable increase of American and Filipino insular teachers for this province.

PROVINCIAL JAIL.

The house used for a provincial jail is the property of the provincial government, was purchased a year and a half ago for ₱7,000, and is situated at the western side of the población, at a prudent distance from it.

The sanitation and health of the jail are in charge of the municipal physician of this capital, and the health of the prisoners is excellent.

The following comparative tables demonstrate the movement of prisoners during the fiscal years 1907 and 1908, respectively.^a

NATURAL RESOURCES.

Forestal.—The timber cut exceeded that of the previous year. In addition to the timber employed in the construction of houses, a good number of ties was exported for the railway lines in Cebu and Iloilo.

The pieces of rattan cut numbered 2,800,000, the greater part of which were exported for sale in the markets of Cebu, Iloilo, and Bohol.

Mineral.—There is no doubt whatever that the mountains of Negros contain mines of different classes, but up to the present we have data only of the coal mine in the mountains of Bayauan and of the iron and sulphur mines in the mountains of Tayasan and Dauin.

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

FINANCIAL CONDITION.

Notwithstanding the crisis through which agriculture is passing and the small crop harvested, the financial condition of the provincial treasury is quite satisfactory.

Thanks to the increase in the value of the personal cedula to the proportional part which inures to this province by virtue of Act No. 1688 and to the 10 per cent of the internal-revenue funds for roads and bridges in accordance with Act No. 1695, we can to-day begin works and improvements which were previously only planned.

In another place in this report, in the section of "Public works," will be seen the amounts which have been expended for repairs and construction of the roads and bridges of the province during the present fiscal year, and in spite of the amounts already expended for such purposes a sufficient balance still remains to continue the works planned or to be executed next year.

There have been transferred from the general funds to the school funds ₱10,000 in payment of the debt which this province owed the insular treasury, the amount being destined for the construction of a school of arts and trades.

In another place in this report a statement of receipts and expenditures during the fiscal year 1908 is given.

As will be seen in said statement, the provincial balance June 30, 1908, was ₱98,115.67, against ₱74,032 shown at the end of June, 1907.

This flourishing condition of the provincial treasury in the midst of calamitous circumstances may be merely the natural result of the great good will on the part of the taxpayer in paying the charges of the state, and of zeal, activity, and diligence on the part of him who manages the finances of the province.

The value of all the property in the province assessed in accordance with the new assessment made by virtue of Act No. 1455 is ₱3,359,230.^a

The one-fourth of 1 per cent for general provincial funds and the one-fourth of 1 per cent for general municipal funds were suspended this year.

POLITICAL CONDITIONS.

The political condition of the province could not be more satisfactory. Absolute peace rules in all the towns, and complete harmony prevails. The three members of the provincial board, those of the department of public instruction, the constabulary, and the delegates for this province, work harmoniously within their respective spheres for the general welfare.

The government of the province, within its sphere of action, has always given its full cooperation and placed all its services at the disposal of the different branches of which the governmental machine of the present régime is composed. Differences of a religious character no longer exist in this province.

Political struggles have become latent; and if at any time they make their appearance, it is owing solely to the approach of electoral strife, but such struggles are always carried on with the greatest order, mutual respect, and harmony.

The election of delegates and the last election held in November of the past year, in spite of being the first time that the people exercised popular suffrage in a direct manner to elect their provincial officials and in spite of their having been bitterly contested, were, however, held with strict legality and without the slightest disturbance in public order having been reported.

The absence of protests in said last elections is an unmistakable proof that the minority is becoming accustomed to submit to the will of the majority.

The municipalities work actively for their respective moral and material progress, and from year to year their administration is constantly becoming more efficient.

The number of municipal policemen in the province reaches 131. It is they who are directly charged with the conservation of the peace and order of the towns; and if we examine the census of 1903 we shall see that Oriental Negros has a population of 201,494, the proportion being, therefore, 1 policeman to each 1,538 inhabitants.

^a Tabular statement omitted and filed in the Bureau of Insular Affairs, War Department.

I give below a comparative table of the criminal causes which occurred in this province during the fiscal years 1907 and 1908.*

PUBLIC WORKS.

The great works completed during the present fiscal year are the result of the joint action and harmony of the members of the provincial board of this province.

Without counting the culverts of little importance made during the year, we have at present the following bridges completed.^a

The present system of constructing bridges of reenforced concrete completely solves the eternal question of wooden bridges, which last scarcely a year.

PROPOSED ROADS AND ROADS UNDER CONSTRUCTION.

On the road in the northern part of the province there are three places named—Jimangpangon, Calag-calag, and Tigulb—through which the nature of the ground makes it very difficult and often impossible to pass.

The government of the province is at present constructing a stone road approximately 5 kilometers in length from Calag-calag to Tigulb, which crosses the Calag-calag Cove from north to south. It is the sole passage by land through which all must necessarily pass, there being no other on which to go to the towns to the north and south. The sea covers the place, especially at high tide, when the water rises more than a meter from the level of the ground where the people walk. There were formerly stones, and heaps of them are still seen, which serve as a road for the public, but its present condition is so difficult and dangerous that the government believed it advisable to give preference to this work, which it is estimated will be completed within three months.

Another of the places offering great difficulties to public transit is Jimangpangon, and as soon as we finish the work at Calag-calag we shall undertake the work at this place.

One of the pieces of work we have in hand is a telephone system and artesian wells.

At present poles are being set from the north to the south of the province. When we have finished setting them we shall proceed to install telephone instruments in all the towns of the province except those which have telegraph stations—Bais, Tayasan, and Guijungan. There has been appropriated for this work ₱4,000.

I also hope to begin the sinking of artesian wells in various points in the province within this year. We are only waiting for the arrival of the apparatus which we have ordered to be constructed in Malolos, Bulacan, expressly for the use of this province.

REMARKS.

Great works, as I said before, have been carried on during the present fiscal year, but I am sure that much more could have been done on this coast, as well as in the subprovince of Siquijor, if the provincial board were invested with more powers in the development of everything referring to public works.

The work would be done with greater economy if the provincial board had the power to stipulate the wages of laborers, the price of material, and the contracts, or jobs, for which it might be necessary to contract, since it is presumed that the members of the provincial board of a province are fully acquainted with its conditions, and all that is necessary would be secured at a lower price.

NONCHRISTIAN TRIBES.

In speaking to-day of the non-Christian tribes it is very pleasing to me to state in the present report the growing enthusiasm for education and progress which is noticed in them from year to year. Yesterday the monteses of Tayasan requested permission to form a barrio in Anibong; to-day the monteses of Calag-calag request that a teacher be sent to that barrio to take charge of the education of their children. The superintendent of schools not only received the petition kindly, appointing a teacher for that barrio, but also cherishes the plan of allotting the sum of ₱300 for the construction of a schoolhouse there. At present the town hall of the barrio is used as a schoolhouse, and more than 100 pupils, almost all children of monteses, attend it.

* Omitted and filed in the Bureau of Insular Affairs, War Department.

SANITATION AND HEALTH.

The deaths occurring during the present fiscal year are as follows :

Males	2,000
Females	1,702
Total	3,711

Classified as follows :

Malarial fever	869
Dysentery	351
Pulmonary tuberculosis	187
Diarrhea	153
Beriberi	55
Smallpox	56
Typhoid fever	27
Other diseases	2,013
Total	3,711

The classifying of many diseases under the head "Other diseases" is due to the fact that the greater part of the diagnoses are made by municipal presidents, who lack medical instruction.

The number of deaths exceeded that of last year by 992, and the number of births was 7,351.

Cemeteries.—Since the enactment of Act No. 1458 the district health officer of district 20 employs a large part of his time in the inspection of cemeteries for the purpose of improving the sanitary conditions.

Vaccination.—For the purpose of vaccinating every child as soon as possible after birth, the district health officer has inaugurated a system of municipal vaccination, which I hope will give satisfactory results.

As the work of vaccination began very recently in this province, very few people have as yet been vaccinated, but progress therein is being made. The total number vaccinated up to date is 5,002.

According to reports from the district health officer, the drinking water in the whole province with few exceptions is not very good, as a great number of deaths has been caused by diseases in which the germs are carried by the drinking water. Artesian wells are a necessity, and it is understood that a well-boring machine will soon be sent into this province.

The provincial board for its part has voted an appropriation to purchase apparatus like those used in Malolos, Bulacan, and I hope within a short time to solve this difficult water problem.

RECOMMENDATIONS.

I desire to submit to the consideration of the government the condition of various towns of this province, such as Tanjay, Tolon, Tayasan, and Slaton, whose extensive plains surrounded by large rivers I believe to be the best fitted for irrigation.

I am convinced that a system of irrigation will not only make the abolition or reduction of the duty on rice unnecessary, but will greatly relieve the precarious condition of the country and diminish the exportation of cash and the importation of foreign rice.

I recommend also the dredging of the port of Bais, because little expense would be necessary to put it into excellent condition and because it is the only sheltered and safe port in the northern part of the province, the only refuge in case of bad weather for the vessels which anchor or navigate in the northern waters of the province.

Respectfully submitted.

HEREMENEGILDO VILLANUEVA,
Governor of the Province of Oriental Negros.

The GOVERNOR-GENERAL.

Report of the Lieutenant-Governor of Siquijor, Oriental Negros.

OFFICE OF THE LIEUTENANT-GOVERNOR,
SUBPROVINCE OF SIQUIJOR, ORIENTAL NEGROS,
Larena, July 19, 1908.

SIR: This subprovince has been established eight months, and I have been here three months since its establishment.

The people as a whole are the most quiet, contented, and law-abiding of any with whom I have been in contact. The population of the island is very dense—more than 50,000 people—but no constabulary are needed to keep order; 21 municipal police suffice for all purposes.

Municipal administration is very good. The municipal officials are interested in improvements and in the welfare of the people, and do the best they can. The police force lacks discipline. Request has been made to the commanding officer of constabulary of Oriental Negros for an instructor.

There are no means of communication between the different towns other than bad roads and boats around the shores. Poles are up for telephone lines, and as soon as materials and instruments arrive a line will be established connecting all the towns and principal barrios.

AGRICULTURE.

Agriculture, which is in a crude state, is the only source of wealth of the island. Practically every foot of tillable land is occupied, and corn, the principal article produced, is the staple food of the people. During exceptionally favorable years only do the people produce a surplus.

Copra is the second article in value produced. Practically all of the land bordering the sea is planted, but the trees are too thick to produce more than half what they should. Some 30,000 piculs are sold annually.

The acreage of rice land is very small, not more than 3,000 cavans being produced during favorable years.

Tobacco of a good quality to the value of ₱35,000 annually is sold, but the conditions are not favorable to its production, except in a small portion of the southern part of the island.

Coffee and cacao are produced only in sufficient quantities for local consumption.

Owing to prolonged droughts none of the above-mentioned products give the yield they should. The soil and climate seem to favor only maguey and kapok, neither of which has had any attention or encouragement by the people. Every effort is being made to interest the people in planting them, for to me it seems the only source for their future existence, as thickly populated as the island is becoming, and the great uncertainty of any other crops as a source of income.

The people have had an abundance of carabaos to till the soil, no disease having appeared among them until the past week. In 1907 hog cholera killed most of the hogs.

COMMERCE.

The commerce is confined to the export of copra, tobacco, chickens, eggs, etc., and the bringing in of dry goods and some rice.

ECONOMIC AND FINANCIAL.

The people have always been prompt in paying all levies of taxes, either personal or industrial, and while not enjoying large surpluses, the municipalities have made some improvements, and none of them have any indebtedness.

The subprovince receives 70 per cent only of all revenues collected.

The provincial funds now on hand amount to ₱19,700, and it is estimated that ₱14,000 will be collected for the subprovince during the fiscal year, but all of this and much more will be needed for improvements. Neither roads nor bridges have had any work done on them since American occupation. No bridges are standing, and the roads are what may be expected from ten years of neglect in a country of such rainfall. At present the government is trying to reduce the cost of its administration to a minimum in order to have more money for improvements, which are very badly needed.

PUBLIC INSTRUCTION. .

Great interest is shown in the schools and some 3,500 children are in regular attendance—more than present facilities will accommodate. There are only 3 American and 6 Filipino insular teachers on the island. Municipal funds are not sufficient to attract the more intelligent young people to seek appointments as municipal teachers. The conditions of the schools and the advancement of the children bespeak the great interest and energy of the present corps of American teachers.

There is not an intermediate or industrial school on the island, and no facilities for instruction in either branch of work. The people on the whole are too poor to send their children, owing to the distance, to other islands or provinces for higher instruction.

INDUSTRY.

Agriculture, the principal industry, is in a rudimentary state. There is no machinery or manufactories on the island.

FORESTAL AND MINERAL RESOURCES.

It is not known that there are any mineral resources, and there is scarcely enough timber to supply local necessities. An effort will be made to protect and plant the present limited forest area and to prevent its being completely destroyed.

NONCHRISTIAN OR PAGAN TRIBES.

There are no non-Christian or pagan tribes here.

POLITICAL CONDITIONS.

Politics, until recently, have been unknown here. There are less than half a dozen agitators, and were it not for outside influences none could be found. There are no church parties or differences. The people are sincere and devout Catholics and wish to remain so. As a whole, they enjoy the tilling of their small pieces of land (it being a rare exception that each family has not its own parcel) more than political contentions.

PUBLIC HEALTH AND SANITATION.

Public health has always been generally good and the death rate is comparatively small. The excess of births over deaths averages from 500 to 800 annually. The island is very dry and has no standing water, pest, or mosquito-breeding marshes. However, for the past few months there have been prevalent very malignant forms of fever and dysentery, confined generally to children. More have died from these than from any other disease for several years, and they show no signs of abatement. There are no doctors or drug stores here and many die for lack of medical attention. The drinking water is generally poor, the springs being too distant in the mountains to be accessible to many, and, with one exception, the municipalities at present have not sufficient revenues to pipe water.

RECOMMENDATIONS.

By all means an intermediate and industrial school should be established here. A building costing ₱6,000 would be sufficient for all present necessities, and nowhere would one be more beneficial to the poorer people or more appreciated.

Artesian wells in different portions of the island to supply drinking water.

A supply of medicine from the insular government, principally for fevers and diarrhea, to be distributed to the poor people.

Respectfully submitted.

JAMES R. FUGATE,
Lieutenant-Governor,
Subprovince of Siquijor, Oriental Negros.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF PALAWAN.

OFFICE OF THE GOVERNOR,
PROVINCE OF PALAWAN,
Puerto Princesa, July 20, 1908.

SIR: I have the honor to submit herewith my report for the fiscal year ended June 30, 1908.

AGRICULTURE.

The amount of land under cultivation is slowly increasing, the increase being principally devoted to rice and cocoanuts.

Unfortunately, because of the small population and the lack of capital and other inducements, immense tracts of magnificent, rich soil are not cultivated.

A considerable number of abaca and maguey plants have been brought to the province and are forming a nucleus for furnishing plants that will thrive and produce well over a large part of Palawan. Heretofore, because of the difficulty of shipping, abaca had been planted only in small quantities in Palawan.

Experiments are being made with several hundred Para rubber trees which I brought from the Malay Peninsula in March. The climatic and soil conditions in parts of Palawan are almost identical with those of the Malay States, and I feel confident that rubber will thrive here.

The rice crop harvested late in 1907 was good throughout the province. The crop for 1908 will be much less than that of 1907, the great amount of rain during February, March, April, and May not permitting the cleaning and preparing of large fields.

Aside from timber products, cattle and carabao have been the greatest articles of export, and many head have been shipped to the Manila and Iloilo markets during the year. Good grazing land and security from rinderpest, etc., makes Palawan a very satisfactory place for cattle raising.

PUBLIC WORKS.

A number of barrio school buildings have been completed, and trails have been opened and cleared during the year by using the labor available under the public-works tax provided for by section 19 of Act No. 1396.

This tax is enabling the townships to become equipped with the necessary buildings and other improvements that could not be previously secured.

The provincial secondary school in Cuyo of 8 rooms has been built of permanent materials, and municipal and school buildings of hard wood and iron roofs have been completed in Coron.

A large amount of material for building and for repairing buildings, wharves, and bridges, as well as school desks and office furniture, have been turned out in the provincial workshop where the provincial prisoners are employed.

There has been expended from provincial general funds during the year:

For material and labor (outside unpaid labor accruing from public-works tax) on new school buildings.....	₱3,193.10
For repairs to provincial buildings.....	998.72
From funds accruing to public-works tax fund (sec. 19, Act No. 1396):	
For school buildings.....	2,000.00
For repairs to other buildings and bridges.....	794.80
Total for public works.....	6,981.62

This total does not include labor furnished in working out the public-works tax.

FINANCES.

The organized townships are all self-supporting, although the salaries of township officials have had to be reduced in some cases in order to give necessary assistance to school work, employing teachers, etc.

The following shows the provincial revenues and expenditures for the fiscal year.^a

^a Omitted, and filed in the Bureau of Insular Affairs, War Department.

POLICE AND PUBLIC ORDER.

The township police has been turned over to the constabulary for instruction and discipline, and is doing fairly well.

Very little crime has been committed, and no cases of importance have come before the courts.

The Iwahig penal colony continues to increase in importance and is proving an exceptionally valuable educational institution. The colonists are removed from the evil influences usually in prisons and are given an agricultural training that will enable them, when they can return to their homes, to at once become family-supporting, law-abiding citizens.

HEALTH.

The health conditions have been good.

EDUCATIONAL.

Great advance has been made in school work under insular Filipino teachers furnished by the bureau of education and municipal teachers appointed from local eligibles. Schools have been established in 18 barrios and villages apart from the township headquarters.

Although a large school building has recently been completed in Cuyo the attendance has increased to a point greater than the capacity of available buildings, and a start is now being made to build a new primary building to accommodate the overflow.

For the first time since American occupation a teacher was secured for Cagayancillo, a place so isolated that no one wanted the appointment for that school. The attendance there has been so large that now two teachers can hardly do justice to the school.

Arrangements are being made to establish a center for school work among the non-Christians of Palawan. Buildings for this work will be erected as soon as the land therefor and for a garden has been reserved.

NONCHRISTIAN TRIBES.

Very satisfactory results have been obtained in my work among the Palawans and Moros. Village or rancheria officials have been appointed in nearly all the Moro rancherias, and the cedula tax was for the first time collected from the Moros of Palawan in 1907.

Owing to some abuses arising through debts due Moros from a Palawan village, a fight ensued in which 5 Moros were killed and 1 Moro and 1 Palawan injured. I spent some time in the vicinity of the fight and found the Moros had been the aggressors and that the Palawans had submitted to oppression by the Moros until driven to fight.

It has been the custom heretofore of the Moros of Palawan to live upon the tribute, etc., they could force from the Palawans. The result shows that the Palawans, who are a very simple and harmless people, had the courage to fight when wronged.

The fleets of "Samals" from Borneo and around Jolo are causing much disturbance, and I am doing all I can to discourage the cruising of these sea gypsies around this province. They have no legitimate excuse to come to Palawan. They frighten the people in isolated villages and have committed several minor acts of piracy.

MISCELLANEOUS.

The bureau of lands has had a surveyor in the province several months preparing surveys of private holdings and of free patent and homestead applications.

Under the new law providing more liberal conditions in the securing of titles through the court of land registration, many petitions for title will be filed in Coron and Cuyo.

The coast-guard vessel connecting different parts of Palawan with Manila has been taken off and a commercial vessel better adapted to the needs of the province has been substituted, which now enables merchants to ship timber products, carabao, and cattle with greater convenience and safety than heretofore.

Many abuses and much suffering are occasioned by the unjust contracts entered into by the ignorant people in connection with securing merchandise, etc., on credit and the satisfying of the same, usually by personal service of the debtor or his family.

There should be laws requiring that no contracts in which the parties thereto can not speak, read, and write English or Spanish, for the satisfying of debt, would be valid unless made under governmental supervision and in compliance with provisions of law insuring justice to both debtor and creditor.

Respectfully submitted.

EDW. Y. MILLER,
Governor of the Province of Palawan.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF PAMPANGA.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF PAMPANGA,
San Fernando, July 15, 1908.

SIR: I have the honor to submit herewith my annual report for the fiscal year ended June 30, 1908.

AGRICULTURE.

Agriculture continues in the same state of prostration in which it has been for several years, owing to the well-known divers causes set forth in the reports for preceding years. The rice crop harvested during the months of November, December, and January of this year should have been more abundant than it was and much larger than last year's, as was to be expected, since the growers of this cereal planted about 15 per cent more this year than last; but notwithstanding this, it in general was only fair. The cause of this decline, which amounted to 30 per cent in the northern part of the province and to 40 per cent in the southern, was due to a large extent to some worms which appeared and destroyed the crops during August and September. These worms generally appear after the time of planting or transplanting of the rice, when the excessive moisture produced by the rains and the great heat caused by the rays of the sun succeed each other, constantly and continually, during a more or less extended time and make their effects felt in a very marked manner in the locality. A portion of the crops which was not destroyed by the worms could not develop properly, as no rain fell in October, November, and December, and prevented the ears from coming out well and producing an abundance of rice grains. The lack of formal statistics of the total of the crop harvested renders it impossible to state with exactness how many cavans were obtained, but a conservative estimate places the total at over 600,000, the average price of the rice (unhusked) fluctuating between ₱2 and ₱3 per cavan.

The sugar crop was relatively smaller than that of the preceding year. Many farmers refrained from planting sugar cane because of the depreciation of the sugar and the lack of a certain market for it. The sugar produced is estimated at about 400,000 pilones, and its average price fluctuated between ₱3 and ₱4, and during one month (April), between ₱4 and ₱5 for the pilon of 137 pounds, equivalent in weight to 1 picul.

The principal crops being rice and sugar, no mention is made of the others, which are grown on too small a scale to be considered of importance.

Some farmers now have plantations of maguey and others have begun to grow this plant, but this can be considered only an experiment, as the results and success can not as yet be foretold.

The efforts in behalf of agriculture made periodically by the bureau of agriculture are in every respect worthy of commendation; but it is a pity, in the judgment of the writer, that they do not give the positive and practical effect that is to be expected, because the profuse printed instructions and bulletins distributed by that bureau in pamphlet form are seldom read by those who ought to read them. This is perhaps due to the lack of even rudimentary instruction of most of our farmers and tillers of the soil, and shows the imperative necessity and advantage of the creation of more purely practical agricultural schools.

The mortality among work animals—horses, carabaos, and neat cattle—has continued to prevail, though generally not in a very virulent manner. It is estimated that during this year 560 head of carabaos and 12 head of neat cattle have died of rinderpest, 10 horses of surra, and 8 horses of glanders. Between the month of May of the present year and the date on which I write this report, foot-and-mouth disease has appeared among the cattle, especially among the carabaos. This disease attacks the hoofs and tongues of these animals, and though few of them die of it, they are rendered useless for all agricultural work for from twenty-five to thirty-five days in some cases. At present there is a veterinary surgeon in this province attending to these animals, but on previous occasions the province persistently applied to Manila for the services of such an official in vain, not because of any fault or unwillingness on the part of the bureau, as we learned later, but because of the scarcity of the personnel available for such emergencies.

COMMERCE.

Commerce, properly speaking, is confined to the purchase and sale of its principal agricultural products—rice and sugar—the buying of which is, with few exceptions, in the hands of Chinese. Other products on too small a scale to be of importance, such as fruits, vegetables, chickens, eggs, and fish, articles made by hand at home, such as mats, matting sacks, burl hats, and cigar cases and pottery, are sold partly in the Manila market and partly in that of Calumpit, Bulacan.

ECONOMICS.

In spite of what we have said under the head of "Agriculture," the present condition of which is not at all satisfactory, it can be stated that the economic situation of the province was very passable during the year. This was due to the public works which the province is constantly undertaking, as it has in the past, in nearly all its municipalities, for the construction, repair, and improvement of its roads, bridges, and drains, and of the provincial government and high school buildings. To these undertakings must be added those managed by private companies, such as the construction of the railroads from San Fernando to Floridablanca and from Dau Mabalat to Magalang. On all of these works thousands of persons found steady employment and wages which enabled them to satisfy their most necessary living expenses; and owing thereto the effects of a real economic crisis which was feared, especially for the laboring class, were hardly felt in this province.

INDUSTRY.

Nothing new has been added to the industries mentioned in the reports for previous years.

FINANCES.

The financial situation of the province appears to be relatively satisfactory. Although the price of the cedula has been doubled this year, 3,028 more cedulas have been issued than during last year.

As to the land tax for the present year, 50 per cent has been collected and an effort to secure the remainder is now being made in all the municipalities.

The following table shows with more clearness the present financial condition of the province.^a

PUBLIC INSTRUCTION.

The high-school building constructed in this provincial capital, of cement and lumber and roofed with corrugated iron, costing ₱45,383.72, is completely finished. The school was opened and the pupils began to enter at the commencement of the school year in June of the present year.

An annex to the high school, for a school of domestic science, is in course of construction and will soon be completed.

The intermediate-school building at Arayat, the construction of which was not quite completed when the writer rendered his report for last year, is now finished and was opened at the end of March of the present year.

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

There are three projects for the construction of intermediate-school buildings, one in each of the municipalities of Angeles, Lubao, and San Luis. These edifices will be built in part with funds raised by voluntary subscription in the several localities and in part with money assigned to each of said municipalities out of the insular funds appropriated in accordance with Act No. 1580.

There have been donated to the department of public instruction by the inhabitants of various barrios of this province 45 lots for the construction on them of schoolhouses. These have been surveyed for the purpose of registration and perfection of title in the court of land registration.

The following teachers are at present stationed in this province:

(a) Insular teachers:	
Americans (regular)	24
Americans (provisional)	4
Filipinos (regular)	12
Filipinos (provisional)	6
(b) Municipal teachers:	
Regular	137
Provisional	53
Aspirants	15

The number of schools is as follows:

Secondary	1
Intermediate (1 industrial school)	8
Primary	157
Normal institute	1

The number of pupils of both sexes who attended the schools at the end of the school year, on March 27, 1908, was 11,229 in the primary, 710 in the intermediate, and 92 in the secondary grade.^a

An examination of the proportion which the school population and school attendance of the province bear to its total population gives the following results:

Population of the province	223, 056
School population	44, 731
Average monthly attendance of schools	11, 235
Percentage of children of school age attending school.....per cent..	25

PUBLIC WORKS.

The amount expended on public works during the year is estimated at ₱151,430.97.^a

PRISONERS.

During the year 3 Americans, 62 Filipino men, 10 Filipino women, and 1 Chinese were received as prisoners in the provincial jail.

POLITICAL CONDITIONS.

As the years pass the state of tranquillity which has always prevailed in this province becomes more and more accentuated, there being very few cases of cattle thefts and assaults by robbers and people of evil lives.

The general services rendered by the Philippine constabulary, whose commander and officers have always and in all cases acted in accord with the local authorities, municipal and provincial, have also greatly contributed to the preservation of order and tranquillity.

The last elections, held in July for representatives of the several districts in the Philippine Assembly, and in November for provincial and municipal officers, though very closely contested, were carried on with all regularity, without public order being disturbed in the least.

There are two opposing political factions in this province, the nationalist independent and the national progressive. The former was victorious in the election of two delegates for the Philippine Assembly, while the latter may be said to have been more successful in the elections for municipal and provincial officers.

^a Detailed statement has been omitted and filed in the Bureau of Insular Affairs, War Department.

Without intending to condemn them, and with due respect for their action, the writer greatly regrets that several of the municipalities making up the southern district of the province have seconded officiously and perhaps unwittingly, influenced merely by irresponsible agitators, the agitation of the question of the immediate independence of this country. This is a question the writer considers out of order at present, because of the need now of the promotion and development of all that may be of benefit to the country, by means of which we shall secure our gradual evolution toward that very independence. We must not forget that when the Filipino surrendered and swore allegiance to the sovereignty of the United States of America, which now rules our destinies, the latter made the solemn promise to educate our people for self-government by their gradual and progressive participation in the government of their country until that government shall be formed by Filipinos, aided by Americans.

PUBLIC HEALTH AND SANITATION.

The following data show relatively the satisfactory state of health of this province:

Number of births, 8,487; number of deaths from various diseases, 5,129; from cholera, 320; a total of 5,449 deaths; number of persons vaccinated, 30,454.

Experience shows that the improvement in the healthfulness of the province is largely due to the artesian wells sunk in several of its municipalities, and for this reason the province has at present at its disposition three apparatus, with the proper equipment, for digging artesian wells by a completely modern and economical system. Unless there should be some difficulty in the operation of the apparatus mentioned, it is believed that at the end of the year 1908 the municipalities of Bacolor, Guagua, Lubao, Mexico, Arayat, Candaba, San Luis, Apalit, Macabebe, and Masantol will each have at least three artesian wells.

RECOMMENDATIONS.

The repeal of the provisions of section 4 of Act No. 1627, conferring upon the justice of the peace jurisdiction to try and sentence parties charged with misdemeanors and infractions of municipal ordinances arising within the municipality, to the end that this jurisdiction be again vested in the municipal presidents, as it was under subsection (g) of section 18 of Act No. 82.

It being impossible to pass an act making obligatory the attendance at the schools of all children of school age, an act compelling the attendance of those now attending them or who have begun to attend them could be passed with a reasonable degree of probable success of its provisions.

Respectfully submitted.

M. ARNEDO,

Governor of the Province of Pampanga.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF PANGASINAN.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF PANGASINAN,
Lingayen, February 22, 1908.

SIR: On leaving the office of provincial governor of the province of Pangasinan, which its inhabitants and the government have had the kindness to confide to me, I believe it my duty to present a report which shall give an account of what has been done during my two years of service, 1906 and 1907.

On March 5, 1906, I addressed the following circular to the presidents and municipal councils of the province:

LINGAYEN, March 5, 1906.

SIR: I have the pleasure to inform you and the vice-president and the councilors of your municipality that I have this date taken charge of the provincial government of the province of Pangasinan.

In sending you this letter I can do no less than to express briefly the purposes which will serve as guides for my administrative acts. To endeavor—

(a) To maintain peace and good order.

(b) To establish mutual confidence between the people and the constituted government.

(c) To develop further our natural resources and our incipient agriculture, industry, and commerce.

(d) To further the greater spread of education.

(e) To maintain and support the rights of the people set forth in the Philippine bill.

I trust that you and your council and other municipal officers, realizing the purposes of this provincial government—which will not be secured without your valuable cooperation and that of the people, of whom, by whom, and for whom said government is established for the purpose of demonstrating more and more the capacity of the people for governing and for being governed, and especially for assimilating free institutions—will one and all assist in this task, which, though arduous and difficult, will bring as a result the satisfaction of the aspirations and needs of the people. I greet you most affectionately.

ISABELO ARTACHO,
Provincial Governor.

To the MUNICIPAL PRESIDENT OF _____,
Pangasinan, P. I.

In order to secure the ends set forth in the foregoing programme it was necessary for me to devote all my efforts thereto, and if a complete result, or one nearly so, has not been obtained it is due, on the one hand, to the short time at my disposal, and on the other to the lack of adequate facilities and sufficient funds to meet the necessary expenses.

MAINTENANCE OF PEACE AND ORDER.

Owing to the territorial extension of this province, estimated at 4,000 square kilometers, more or less, with a population of nearly 500,000 souls, most of them scattered throughout barrios and places distant from the poblaciones of the towns, it was difficult, if not impossible, to furnish an efficient guaranty of order and to protect property with the small number of municipal police which it was possible to maintain with the funds of each municipality, even with the constabulary, numbering only 3 companies of 50 men each, stationed at 3 points in the province, viz. Dagupan, Rosales, and Alaminos. I therefore conceived the idea of creating in the barrios of each municipality rural police, supported by voluntary contributions of the inhabitants, subject to the orders of the municipal president and directly under the inspector of municipal police.

This idea was accepted by the greater number of the municipalities, and to-day we have 2,893 rural policemen uniformed and armed with bolos and talibones.

The organization has resulted in tranquillity, good order, and protection to property in the barrios. It has, moreover, served as a powerful auxiliary of the municipal police and the constabulary in the performance of their duties, as will be seen in the letter of the inspector of constabulary in this province hereto annexed.

During the past two years no disorder has occurred affecting public peace and tranquillity. However, in the month of August, 1906, in the municipality of Alaminos, the existence of an illegal association founded by Gregorio Cacho was discovered. He and a number of his associates were captured and later brought to trial, with the result that Cacho was sentenced to some months' imprisonment. In the month of August, 1907, the constabulary also discovered a Katipunan society using the blood pact and aiming at a conspiracy, in one of the barrios of Lingayen, but the organizer, Pedro Cabola, and his subaltern chiefs were all captured and later brought to trial, with the result that they are now confined in the provincial jail serving the sentence imposed upon them by the Court of First Instance. On January 9 last one Alejandro Samson, who was organizing a Katipunan society in the municipality of San Isidro Potot, was captured and turned over to the courts by the residents of the barrio in which he was making his propaganda. He is to-day confined in the provincial jail awaiting trial.

During a time thefts of animals, particularly work animals, were frequent, but for the last six months scarcely any reports of such thefts have been received, which is undoubtedly due to the measures adopted by the secret service of the constabulary in combination with the rural and municipal police.

I can assure you without hesitation that 90 per cent of the perpetrators of the crimes of brigandage, robbery, homicide, and murder have been captured and placed at the disposition of the courts.

MUTUAL CONFIDENCE BETWEEN THE PEOPLE AND THE GOVERNMENT.

I have considered it a primordial necessity to secure mutual confidence between the people and the government, as the stability of a government depends on the consent of the people, and the happiness and welfare of a people is derived from the efficiency of their government. It is unnecessary here to recite the efforts made to secure the confidence of the people in the government, and it is enough for my purpose to mention certain facts which demonstrate beyond doubt a deep-seated confidence now existing between the people and the government:

Voluntary labor of the inhabitants of the province on the insular, provincial, and municipal roads in almost the entire province. Also voluntary labor and gifts of material for the construction of temporary bridges and culverts in almost the entire province; for building schoolhouses in the barrios, and in some of them for quarters for the rural police; for provincial and municipal schoolhouses; and voluntary contributions for the maintenance and uniforming of the rural police.

The action of the inhabitants of San Isidro in capturing the organizer of the Katipunan; the cooperation of various residents of Lingayen with the constabulary in the capture of Pedro Cabola and some of his subaltern chiefs because of their Katipunan movements; and various other acts of the people which imply loyalty and spontaneous cooperation for the maintenance and defense of the government and its institutions.

The spontaneous payment of all the taxes imposed by law and obedience to and respect for all the laws hitherto promulgated.

All the contributions and donations made by the people in aid of the government for the realization of the latter's ends are to us all the more remarkable, in view of the fact that we are passing through a period of reconstruction and that the people are in a somewhat precarious condition as a result of continual calamities.

DEVELOPMENT OF NATURAL RESOURCES AND AID TO AGRICULTURE, INDUSTRY, AND COMMERCE.

The principal bases of the economic life and economic future of the Philippines, and particularly of the province of Pangasinan, are agriculture and commerce. Neither would prosper without an adequate system of highways. The province is crossed by nearly 800 miles of roads, with some 500 bridges and culverts. At the beginning of my term, with the exception of an insignificant stretch between Lingayen and Binmaley and another from Dagupan to Mangaldan, all the roads had been neglected for ten years; bridges and culverts were constructed of wood and bamboo, with the exception of some 30 culverts, more or less, which were constructed of brick and gravel in Spanish times, part of which are in bad condition, or, as Mr. Forbes, secretary of commerce and police, aptly said, "in condition to assassinate a careless person passing over them."

Because of the small amount of funds then available our first step was to suspend all contracts previously made for the construction of thirty-odd wooden bridges and culverts and to adopt the system of using materials of a permanent character, such as rock, cement, and iron. But in the meantime it was urgently necessary to undertake the work of repairing the roads and many of the bridges and culverts, for which I had to resort to voluntary labor, since, as has been stated, the province did not have the funds to meet the necessary expenses.

Estimating ₱3,000 a mile for the roads, without counting bridges and culverts, it would have been necessary to have had ₱2,500,000 on hand, and the province then had only some ₱17,000, with important bills pending payment amounting to ₱25,000 or ₱30,000.

Great effort was necessary to obtain the voluntary assistance of the people, which I succeeded in doing with a large part of them, and may say that with it I have succeeded in putting a large part of the roads in the province into a passable condition, and have improved many of them. I would doubtless have secured greater success had it not been for the political strife over the elections, which gave rise to politicians who violently attacked the question of voluntary labor in their speeches to the masses, not only with respect to roads, bridges, and culverts, but also as regards the construction of schoolhouses.

About the middle of 1906 the province began its first work, and from November, 1907, to January, 1908, 59 bridges and culverts of permanent materials were finished and the roads from Dagupan to Pozorrubio, from Manaoag to Binalonan,

and part of the Dagupan-Binmaley and of the Binmaley-Lingayen roads were improved with crushed rock.

Through negotiations of the writer the insular government established about the beginning of this year (1908) a line of steamers from Dagupan to San Fernando, La Union, calling at the ports of Sual, Alaminos, Anda, and Bolinao. With this regular line and the work done on the roads, bridges, and culverts, it may be asserted that we have succeeded in establishing a complete system of communication in the entire province, which will give life not only to commerce and agriculture but to all the institutions of the government.

The province, however, ought to continue its work of improving roads, bridges, and culverts with permanent materials, and in view of the great expenditure made on the work already accomplished for transportation and wages, and in view also of the delay with which the work has been done, using such elements as were available, the provincial board of Pangasinan resolved to purchase machinery to go on with the work, estimating a saving of 60 per cent and greater expedition in said work. The following is a list of machinery purchased in 1906 and 1907:

A 6-ton 12-horsepower steam roller, to take the place of several rollers drawn by horsepower; 3 traction engines of 18 horsepower each; 18 wagons of 3 cubic meters capacity, to be hauled by the traction engines; a No. 4 rock crusher of 12 tons capacity per hour, with a 35-horsepower boiler; a portable rock crusher of 8 tons capacity per hour, with an 18-horsepower boiler; 2 concrete mixers, with their respective portable boilers of 8 horsepower; a 12-ton horizontal boiler steam roller, from the factory of the Azpaalt Company, and a cement-testing machine, complete.

This machinery, worth about ₱58,000, is partly already in the province, and the remainder will arrive from America by the middle of next month.

With it there are reasons for saying that the number of bridges and culverts of reinforced concrete and the number of miles of road metalled with crushed rock constructed during the past eighteen months or so will be quadrupled in the next two years, especially so since the province in 1908 has nearly double the funds for this purpose than at any time during the last two years, and in addition has ₱47,500 donated by the insular government exclusively for roads and bridges.

In addition to all that has been stated in detail here concerning roads, bridges, and culverts, the provincial board has decided upon the construction of the following, for which appropriation has been made:

A new 11-mile road of crushed rock from Bautista to Rosales, ₱33,000; bridges and culverts on said road, ₱9,000; 8-mile road of the same material from Lingayen to Dagupan, ₱30,000; 13-mile road of the same material from Dagupan to Manaog, ₱33,000; an old bridge in Lingayen and road to the provincial school, ₱6,000; reinforcing of the Laoac bridge in Binalonan by an abutment, ₱1,100; construction of a pier in the Dagupan River, ₱2,000; and the construction of and material for two large barges for the transportation of provincial property by river, ₱2,500.

A part of said works are already under construction.

The writer, understanding the necessity of establishing a general system of irrigation throughout the entire province in order to insure the rice and all other crops and to afford the people the necessary means for preparing ground for cultivation, took steps whereby the district engineer was authorized to conduct the preliminary work throughout the entire province.

For the purpose of checking as far as possible the frequent calamities that overtake our agriculture, in our visit of inspection to the pueblos and in lectures in the barrios and centers of population I have suggested the planting of 25 coconut plants by each father of a family, an equal number by each son he has or may in the future have, and of a large amount of maguey on the high and sandy lands. As a result of this I saw with admiration during my last visits the progress they had made throughout the entire province in the matter of these maguey and coconut plants, particularly in the pueblos of Zambales annexed to Pangasinan; and they still continue planting with greater enthusiasm, wherein lies the hope of a prosperous future.

GREATER SPREAD OF EDUCATION.

Believing that want of opportunity had deprived the Filipino people, to a great extent, of the advantages of instruction and education, I exerted myself in encouraging the construction of schools in all the barrios and settlements

of the province, soliciting for the purpose the voluntary cooperation of the people in donations of material and in the construction of the buildings.

The result of this labor is that the province of Pangasinan now has 304 schools, of which 275 are barrio schools, with an enrollment of 32,333 pupils, as may be seen from the report of the division superintendent of education, attached hereto and marked "Exhibit 2," which shows the general spirit that animates the people in favor of education.

From among the pupils of the provincial school a battalion has been organized, with a band of music composed of 19 pieces, a drum major, and 2 buglers.

The workshop of the industrial school is attended by 97 pupils, who have already produced various works worthy of appreciation.

Our labor was not to be restricted to elementary education, but included higher and scientific branches of learning, such as engineering in all its divisions, especially as applied to agriculture and the industries, as I so indicated in a circular letter addressed to the people, soliciting their assistance by voluntary contributions for the construction of two school buildings, the industrial school and the high school.

On December 4, 1907, the corner stones of the buildings just mentioned were laid and the sums necessary, ₱20,000 and ₱80,000, respectively, for their construction were appropriated.

The buildings referred to, of reenforced concrete, will be constructed on the shore of the Lingayen Gulf, on a lot owned by the provincial government which has an area of about 12 hectares, and will be finished in June, 1909, or sooner.

A large number of the youth of this province, as well as of others of the archipelago, are desirous of acquiring scientific knowledge, but the want of opportunity and of means for living in Manila or abroad prevents them from obtaining it, for which reason, as the only and last petition which I on my part as governor make in favor of the youth of Pangasinan, I would recommend that the insular government generously provide for the teaching of the exact sciences in this province, particularly those which concern agricultural and industrial engineering, in view of the fact that it is surrounded by other provinces of dense population, which undoubtedly would share in the opportunities and benefits of said teaching.

MAINTENANCE AND SUPPORT OF THE RIGHTS OF THE PEOPLE.

At no time during my régime has there been need of taking any action whatever to repress acts against the rights of the citizens set forth in the Philippine bill. Rights in matters of liberty of worship, of the press, of meeting, of speech, and others have been exercised to their full extent by the people. In our popular lectures and on all proper occasions I have urged the people to enjoy their rights, and have recommended to all, private citizens and officials, the study of the Philippine bill and its teaching to the masses.

IMPROVEMENTS IN THE PROVINCIAL JAIL.

The board floors of the prisoners' cells have been substituted by cement laid over concrete a foot deep. The board doors of the cells have been substituted by iron grating and the main inner door of the building by a double door of iron grating. The iron gratings of the windows of the jail have been changed for new one. The six dark cells have been provided with doors of iron grating for the correction of rebellious prisoners, and for the security of prisoners condemned to capital punishment, during their stay in the jail.

A bathroom has been provided, with proper piping and showers, and the cells have been furnished with canvas beds fitted to iron piping attached to the walls. The inside and outside of the jail is provided with acetylene lights and the inside with water pipes.

There is a department expressly intended for a hospital, with a board floor, and another department intended for a dispensary, with its shelving and medicines.

IMPROVEMENTS IN THE PROVINCIAL GOVERNMENT BUILDING.

Repairs have been made in the provincial government building, as the greater part of the material was damaged by white ants. A part of the wooden ceiling has been substituted by Wunderlich stamped steel, and the wooden beams on the floor of the main room have been supplanted by iron girders.

Improvements have been made in the divisions of the departments in the offices of the governor and the treasurer to meet the needs of the service, and the vault of the provincial treasury has been made solid for better security, especially in case of fire.

For the purpose of protecting provincial property in case of fire and of improving the janitor service in the government building and the provincial jail, the windmill for raising water was supplanted by an 8-horsepower engine, bought in 1907.

IMPROVEMENTS IN THE PROVINCIAL WORKSHOP.

In the workshop of the province, under the supervision of the provincial treasurer, another 8-horsepower engine, adjustable to a machine for crushing gravel or stone from the quarries of San Isidro, and a small mechanical saw have been set up. The iron grating for the doors and windows of the provincial jail, the prisoners' bed, two cascos or lighters for the transportation of stone from the San Isidro quarries, and other material, and two wooden rafts for crossing the Mangaldan River at San Jacinto and the Angalacan River between Manaoag and Binalonan, were made in this workshop.

In the river, behind the provincial government building, a wooden pier has been built 110 feet in length by 14 feet in breadth, on which a Decaville tramway has been laid for the loading and unloading of stone from the San Isidro quarries, which will be used on provincial works after crushing.

Respectfully submitted.

ISABELO ARTACHO,
Governor of the Province of Pangasinan.

The GOVERNOR-GENERAL.

EXHIBIT 1.

[Translation.]

CONSTABULARY OF PANGASINAN, OFFICE OF THE CHIEF INSPECTOR, *Dagupan, January 29, 1908.*

SIR: Referring to our recent conversations, I have the honor to inform you that the rural police organized by your direction in this province have, during my stay in this province, rendered very important and efficient services in their respective barrios. Said rural police have on many occasions assisted the force under my command, and they themselves have apprehended various criminals.

In addition to the above stated, I have considered the most important service of said police to be the prevention of crime, because of the mere fact of the existence of said body.

In conclusion, I desire to express to the rural police of this province my most sincere thanks and congratulations for the incalculable aid rendered the constabulary.

Yours, respectfully,

JOHN J. GALLANT,
Chief Inspector.

The PROVINCIAL GOVERNOR,
Province of Pangasinan, Lingayen, P. I.

EXHIBIT 2.

DEPARTMENT OF PUBLIC INSTRUCTION, BUREAU OF EDUCATION, *Lingayen, February 18, 1908.*

DEAR SIR: In reply to your communication of February 17, I have the honor to submit the following information:

School year.	Yearly enrollment.	Monthly enrollment.
1904-5	42,772	32,156
1905-6	37,060	27,626
1906-7	39,646	30,069
1907-8 up to February 1	32,333	23,908

The yearly enrollment for the present school year will amount to more than 40,000, and the monthly enrollment to more than 30,000 by the end of the school year, March 28.

The number of children supposed to be in school in Pangasinan is 26,000. This is the number allotted the schools of Pangasinan by the director of education. It has been very difficult to reduce the enrollment and attendance to meet the number requested by the head of the bureau. We are not able to secure a sufficient number of teachers and school buildings to accommodate more than about one-fifteenth of the population, or one-third of the total number of children of school age. In many cases children have desired to enter school, but they could not owing to the fact that the teaching force has not been able to teach all who wanted to enter.

At the present time there are 275 barrio schools, and about 240 of these barrios have constructed their own school buildings by voluntary contributions. Most of this work has been done within the last two years.

The school spirit as manifested throughout the province is excellent. During the last two years it has been all that could have been desired in all the municipalities of Pangasinan except two or three. The officials have manifested great interest in the development of the public schools and in the education of the youth of their respective municipalities. They have been ever ready and willing to support the schools financially as long as they have had money in their treasuries as school funds or general funds. Eleven towns have this year transferred some money from the general to the school funds, and about one-half of the municipalities in the province have voted more than one-fourth of 1 per cent of the land tax for the support of the public schools. The disposition and feeling of the officials and people at large toward the public schools can hardly be better than it has been for some time. It is a great pleasure to work with a people who are ever ready and willing to put forth every effort possible for the education of the children living in their jurisdiction. The interest manifested by the officials and people at large in the province of Pangasinan during the last two years have been far better than for any previous years. This interest is due in a large part to the attitude toward public schools and education, as has been manifested by the Filipino members of the provincial board.

Very respectfully,

E. G. TURNER,

Division Superintendent of Schools.

The PROVINCIAL GOVERNOR,

Lingayen, Pangasinan, P. I.

Supplemental Report of the Governor of Pangasinan.

[Translation.]

OFFICE OF THE GOVERNOR,

PROVINCE OF PANGASINAN,

Lingayen, August 8, 1908.

SIR: In compliance with the provisions of Act No. 1824, I have the honor to submit herewith my annual report for the fiscal year ended June 30, 1908.

The writer assumed the office of provincial governor on March 2 of the present year, in accordance with Act No. 1582, and regrets very much that owing to this circumstance he has not had sufficient time to enable him to write this report with abundance of knowledge and experience.

AGRICULTURE.

Agriculture, the almost exclusive source of wealth in this province, is not developed as desired because of the lack of work cattle, but land planted in the various crops grown by the inhabitants yields not only what is needed by them, but much for sale to other provinces.

Rice is the principal crop, the land being the best suited for it. Unfortunately the rice crop was rather short this year compared with last, owing to the drought, which killed a considerable part of the plants just before the time of maturing. This would not have happened if the municipalities had had good irrigation ditches to supply the fields with water when the rain is insufficient to furnish the necessary moisture, as was the case this year.

One of the new products is tobacco, which acquires greater importance from year to year with the increase of the area of the land planted in it. Its quality is winning esteem in the markets and it is able to compete with the best tobaccos.

The cocoanut is also of importance, though it is not cultivated in all the pueblos of the province, but only in the central portion and in the coast towns. The value of the cocoanuts and copra produced during this fiscal year is estimated at some ₱130,000.

In addition to the products mentioned, the province also grows sugar cane, mongos, cacao, coffee, and indigo, though on a small scale. The cacao of Agullar is of superior quality and is much in demand, because of its special flavor for the chocolate, to which many persons are addicted in this province.

COMMERCE.

The commerce consists principally in the buying and selling of rice, paddy, tobacco, mongos, cocoanuts, copra, sugar, and maguey. The commercial transactions at Dagupan and Bautista are of much importance, as the products bought in the several municipalities are almost always taken to them to be sold to wholesale buyers.

The price of rice ranged from ₱5.50 to ₱6 the cavan, and that of paddy from ₱0.47 to ₱0.50 the arroba.

As a consequence of the extension of the railroad to the other pueblos of the province, there is to be observed a marked tendency to engage in the business enterprises favored by the facility of communication thus provided, and assuredly the time is not far off when the life of those pueblos will be more prosperous and happy than at the present moment.

The shortness of the crop did not fail to show its effects on the development of commerce and resulted in a rise in the price of rice and paddy. Notwithstanding this the quantity of rice exported during this fiscal year may, according to the data requested from the municipalities, be estimated at some 300,000 cavans, which were transported to Manila and other places in need of this article of prime necessity to the Philippine people as a basis of their alimentation.

ECONOMIC SITUATION.

The greater or lesser abundance of the crops always stands in intimate relation with the greater or lesser prosperity of the inhabitants, whose wealth and means of satisfying their necessities are derived almost exclusively from agriculture, and for this reason the insufficiency of the crop of the present year has not failed to have an evil effect on the inhabitants of this province, whose situation already leaves much to be desired because of the lack of work cattle and the mortality of the latter, which prevents the farmers from cultivating a larger area of land where this is possible. In spite of all these adversities, the people are making all possible and necessary efforts to save the situation and to comply with all their obligations, paying their taxes for the proper maintenance of the government.

FINANCIAL SITUATION.

At the beginning of the fiscal year the money in the treasury amounted to ₱32,791.94, which, added to the ₱333,603 collected during the year, gives a total of ₱366,394.94, of which ₱295,663.55 was expended. At the end of the year there remained a balance of ₱70,731.39. The province expended ₱186,106 on public works and ₱7,886 for public instruction.

In order to facilitate the work and to economize expense in the transportation of stone and other government property the following machinery was purchased:

Three traction engines, Port Huron, Robinson, 16 horsepower.

One 12-ton road roller, Iroquois.

Eighteen 3-yard traction cars.

Two concrete mixers, Ransome, 10 cubic feet capacity.

One No. 3 Champion portable rock crusher and engine.

One No. 4 Champion rock crusher, with 35-horsepower boiler, 30-horsepower engine, complete with elevator and screen.

Complete cement-testing outfit, Fairbanks, latest model.

All of this machinery is already in operation, except the large rock crusher, the installation of which in the quarry of San Isidro (Labrador) has not yet been finished, but which will soon be ready to begin work.

PUBLIC INSTRUCTION.

It gives me satisfaction to state that enthusiasm for instruction is lively in this province, the inhabitants of which duly appreciate its importance and necessity, and are thoroughly convinced of its utility and undoubted advantages. Few are the children, even among those of the inhabitants of the humblest and remotest barrios of the pueblo, who can not reply in English.

In nearly all the pueblos the resources of the municipality are too scant to provide for school buildings, but this insufficiency is made good by the willingness of the residents, who erect schoolhouses by voluntary and gratuitous labor in order to be able to furnish their children with a place where they can receive instruction. Many of the barrio school buildings have been constructed in this manner and have been received with the greatest satisfaction by the municipal officials, who are likewise rivaling each other in their efforts to bring public instruction in their respective municipalities to a higher level.

The provincial board adopted the project of erecting two school buildings, one for an arts and trades school and the other for a high school, both to be constructed on an extensive piece of ground on the shore of the Gulf of Lingayen.

During the fiscal year approximately ₱102,000 were expended by the municipalities, under sundry subheads, for the maintenance of schools, and the average attendance was 20,800. These children were taught by 527 salaried teachers and 32 aspirant teachers without salary.

INDUSTRY.

Very little can be said of the industries of this province. The most important are the rice mills operating in the pueblos of Bautista, Dagupan, and Mangataram, which buy up all the rice after the harvests of each year.

The people of Lingayen, Binmayley, Dagupan, and San Fabian, on the Gulf of Lingayen, take advantage of the sea by engaging in fishing with nets, in suitable boats.

Some municipalities have fish-breeding establishments of importance, which are exploited by private parties who enter into a contract with the municipality. The most important are those of Bayambang and Mangataram; the former producing an annual income of over ₱23,000.

MANUFACTURES.

There are no manufacturing establishments of importance in the province.

In one of the 7 municipalities native wine is manufactured from the juice of the nipa palm (tuba). Through the efforts of the bureau of internal revenue, the manufacturers who desired to continue in business changed from their primitive cawas to such more or less perfected stills as they could afford, so that none of the distilleries is using the cawa now.

In the municipality of Calasiao hats known as sombreros de Calasiao are made from the ribs of the leaf of the buri palm, but there are no establishments for the manufacture of these hats, as the women engaged in this occupation are working separately in their homes.

In the forests and mountains there are to be found, in greater or lesser abundance, various classes of timber suitable for any kind of construction and buildings which has not been properly exploited. Those engaged in lumbering fell the trees with axes, then use carabao to drag the logs from the mountains to the rivers, and from there take them to the place where they are sold.

In the pueblo of Agno there is a sawmill.

Of gold and copper mines, 80 have been registered in this office up to the present time, but none was registered during the present year.

There are also mineral springs which are not being exploited, and, though their water has not been properly analyzed, the people attribute medicinal qualities to it. Such are the springs of the municipalities of Balungao, Pozorubio, Agullar, and Mangataram.

NONCHRISTIAN TRIBES.

There are two non-Christian townships—Labayug and Esperanza—which were organized this year. The inhabitants thereof are submissive and obedient to the laws and the constituted authorities, and offer no objection to the payment of the taxes collected from them for the expenses of their government.

POLITICAL SITUATION.

The public tranquillity is very satisfactory. The municipalities conduct their business without any perturbation or hindrance on the part of the general public.

The general elections held on November 5, 1907, passed off without any real disorder, and though it is true that several protests were filed, such as the defeated candidates are wont to present against the election of the successful, some were dismissed by the court of first instance as lacking foundation and others were withdrawn by the protestants themselves.

Public order is maintained by the municipal police, the constabulary, the commanding officer whereof resides in the municipality of Dagupan, and the rural police, an institution which has been adopted by most of the municipalities to assist the municipal police in the maintenance of order in the barrios and to exercise vigilance in the same, with a view to depriving carabao thieves and other ill-intentioned people of opportunities to harm the peaceable residents of said barrios.

The total strength of the municipal police, which is distributed over the several municipalities of the province, is 434, a smaller number than in the preceding year, the reduction having been made for economical reasons.

PUBLIC HEALTH.

Speaking in general terms, the province is healthful and its hygienic conditions good, except in some pueblos which have not good water. It would therefore be of inestimable advantage if artesian wells could be sunk in all the pueblos to supply the people with water of good quality, but in view of the expense of this work and of the scarcity of funds the pueblos can not afford to have this done.

In the last months of the year cholera appeared, principally in the pueblos of the central and northeastern portions of the province. In view of this circumstance, and in order to combat this scourge, the municipalities invaded by it had to spend money which they could have used for municipal improvements.

The mortality among children is alarming, as nearly 60 per cent of the deaths occur among children between the ages of 1 day and 15 years. I believe that the cause thereof is to be found in the poverty and poor care on the part of the parents, who are unable to give to their children the care necessary at their age, especially as to alimentation.

All work tending to improve and educate the people as to the care and hygiene of infancy would be of inestimable benefit for saving the lives of those children who will at a future day form the most useful members of society in the Philippines.

Respectfully submitted.

A. SISON,
Governor of the Province of Pangasinan.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF RIZAL.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF RIZAL,
Pasig, July 8, 1908.

SIR: I have the honor to submit for your consideration the following annual report for the fiscal year ended June 30, 1908:

HISTORICAL, POPULATION, PUBLIC WORKS, PROGRESS.

The province of Rizal is bounded by the provinces of Cavite, Bulacan, La Laguna, and the city of Manila, and now comprises 20 municipalities, as follows: Antipolo, Binangonan, Caloocan, Jalajala, Las Piñas, Malabon, Marikina, Morong, Navotas, Parañaque, Pasay, Pasig, Pililla, San Felipe Neri, San Juan del Monte, San Mateo, San Pedro Macati, Taguig, Tanay, and Taytay. In this connection it should be noted that the municipalities of Jalajala, Las Piñas, and San Juan del Monte were organized as such on January 1 of this

year, and that, with the exception of Malabon, which is a municipality of the second class, and Binangonan, Novatas, and Pasig, which are of the third class, all others are of the fourth class.

The total number of inhabitants, according to the census published in 1905, was 148,502. The present population must have increased 25,000 or more, taking as a basis the statistics of births and deaths for the first quarter of 1908, showing the former to have been 2,640 and the latter 1,702. During this period the traveler from the Ganges paid us his most recent visit, and therefore the number of deaths in comparison with that of former years was greater, as during the said quarter 149 cases, with 104 deaths, of cholera were reported. In addition the facility of communication between several municipalities of this province and the city of Manila has brought settlers from other parts, the province now having, in addition to river traffic, railway and tramway communication.

During the fiscal year the spread of good government in the province has been noted. Its financial condition is good and public order could not be better. It should be noted that although the municipalities of Caloocan, Malabon, Navotas, Pasay, and Pasig are the only ones which have a fairly well organized police force, and although the small garrison of 167 constabulary is split up into small detachments in the pueblos of Montalban, Malabon, Novaliches, Pililla, San Juan del Monte, Pasig, and Muntinlupa, public order has been and is normal, notwithstanding the unfavorable topographical condition of Rizal, which is bounded by extensive forests that were formerly the lurking places of people leading evil lives. We have to deplore, however, the gambling that is rife in the pueblos bordering on Manila, although quite recently the monte game at San Pedro Macati, the most notorious among all the games carried on in the pueblos, was closed, perhaps for good, and I have no doubt that soon the games now running in other pueblos will follow. It is not contended, however, that prohibited gambling will disappear, as that is an impossibility, but will be restricted and diminished.

The provincial government has made progress, as it now has a building where the offices of the governor, fiscal, and court of first instance are provisionally installed, and these offices will soon be transferred permanently to another building of reenforced concrete, in which all of the provincial offices will be housed. The present building will then undergo some repairs and improvements and be converted into a provincial jail, with all the necessary securities for the safe confinement of prisoners.

The province has now an iron bridge over the Ampid River, completed in July, 1907, and the following roads: From Pasig to Montalban, to Santa Ana, and to Taytay, and from Pasay to Camp Hayson, first-class roads; from Pasig to Taguig, Taytay, to Antipolo, Baras to Pililla, Manila to Santolan, Manila to Malabon, and Malabon to Malinta, second-class roads; Manila to Novaliches, Taytay to Baras, and Camp Hyson to Muntinlupa, third-class roads. These last are scarcely passable for vehicles, as they were in a very bad state long before the organization of provisional government, and no repairs have been made to them since the revolution against Spain. Other roads not mentioned are in equally bad condition, but after the present rainy season the provincial government will start work on some of them and it is hoped that soon the number of first and second class roads in the province will be increased. Material has been placed along roads declared first class and road menders have been employed to make repairs where necessary during the rainy season.

As regards other phases of the material life of this province, the following conditions prevail:

AGRICULTURE.

For some time after the Spanish-Filipino revolution farming was paralyzed or abandoned, owing to the lack of laborers and work animals; but after the restoration of peace the people once more took up their agricultural labors with the means at their command. Slowly they lifted husbandry from the place to which it had fallen, as disease had attacked that indispensable factor in agricultural development, the farm animal, and still continues to decimate the few carabaos that are left. As agriculture is the only recourse left to the majority of the inhabitants of Rizal, they have made and still continue to make titanic efforts gradually to improve it, and are year by year extending their plantations of palay, sugar cane, and garden vegetables. This year, in spite of the continuance of cattle epidemics and the loss of many animals, a larger

area of land has been plowed and sown than in former years. Notwithstanding this the rice crop has been from 20 to 30 per cent less this year than last, owing to the lack of rain at the time when the rice plants acquire water for their development. The same thing may be said of other crops.

In the municipalities of Morong, Tanay, and Pililla there are dams used for the irrigation of rice fields, which are planted in the months of February, March, and April. This makes it possible to cultivate and harvest two crops of rice a year on certain tracts of land in those municipalities. The condition of the dams referred to and their irrigation canals is so bad, that, once improved, it is my opinion a large part of the land now planted in rice can be cultivated, sown, and harvested twice a year.

The provincial board and district engineer have the matter of these dams under consideration for the purpose of presenting a report thereon to the committee on irrigation.

COMMERCE.

The province has a small trade in rice, corn, lumber, firewood, sugar, honey, common salt, hogs, poultry (chickens, turkeys, and ducks), green fodder, bamboo, rattan, eggs, cantaloupes, watermelons, cucumbers, tomatoes, squash, eggplant, plantains, and betel leaves, as well as flowers of the ilang-ilang tree, and others which are cultivated in the municipality of Pasay.

ECONOMIC AND FINANCIAL.

During the fiscal year the revenues and expenditures of the province were as follows:^a

It should be noted that the three great sources of revenue for this province are the cedula, land, and internal-revenue taxes, and that receipts therefrom are much larger than during the past fiscal year. Comparing the amount for cedulas in 1907 with that collected this year is a gain of ₱4,308.50, without taking into account the double cedula in force this year, as the extra peso is exclusively devoted to the road and bridge fund under the provisions of Act No. 1652.

The amount of land tax collected is almost equal to that of former years, notwithstanding the falling off in crops of from 20 to 30 per cent this year.

As regards the refund from the insular treasury of internal revenues, the share of this province showed an increase of ₱5,612.63 over the fiscal year 1907, without counting receipts for weights and measures, which amounted to ₱767.54.

The increase in the three sources of revenue referred to was undoubtedly due to the activity and zeal of municipal treasurers from January to June of this year and in large part to the able administration of the provincial treasurer. An examination of the records of the provincial treasury as to revenues and expenditures shows that year by year the financial condition of the province has improved, for, as revenues increase, the expenses have been cut down, since this year the province has been able to save ₱1,669.10 in salaries and wages of provincial officers and employees.

PUBLIC INSTRUCTION.

Education has always been, and will always be, recognized and appreciated as the foundation of moral and material progress of a people. For this reason the insular government has given it preference, thereby affording the greatest opportunity to the country to satisfy its eagerness for study by opening schools in all of the pueblos throughout the Philippines. The province now has 32 central, 51 barrio, and 4 intermediate schools, and in addition the provincial capital has a high school. These schools are taught by 143 teachers paid from municipal and 32 from insular funds. Of this latter number, 12 are Filipinos and 20 Americans. The attendance during the year was 9,332, which is small in proportion to the population, owing, in part, to the lack of schoolhouses in some of the barrios. These barrios should secure the benefits of the Gabaldon bill, but as the municipal treasuries of the municipalities in which such barrios are located are not in a condition to furnish sufficient funds to construct the necessary schoolhouses when added to the appropriations from insular funds, the majority of the natives living therein will remain without school facilities. On the other hand, in certain municipalities parents or guardians have shown a

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

reprehensible apathy in failing to send their children to school, owing principally to their lack of appreciation of the benefits of an education. I deem advisable, in view of this circumstance, that the government enact a compulsory education law, the enforcement of which to be left to municipal councils. This is necessary for the reason that such a law would naturally increase attendance and call for a larger number of schools and teachers, and as many municipalities are short of funds and would be unable to meet the increased expenditure demanded by the enforcement of the law, and, as in this province, it is difficult to secure teachers with sufficient qualifications owing to the small salary paid them, it is advisable that the enforcement of the law be left to the discretion of municipal councils.

In the majority of the municipalities at present the school funds are not sufficient for the upkeep of their schools, and in order to overcome this difficulty municipal councils have every year made donations from their general funds to their school funds.

The following table shows the general fund, school fund, and salaries paid to teachers in each municipality, together with the amounts transferred from the general to the school funds in each instance.^a

The municipalities of Piliila, Parañaque, and San Felipe Neri have the largest proportion between their general and school funds owing to the fact that at the close of the year 1907 they had a surplus of school funds in the treasury.

INDUSTRY.

This third factor in the material vitality of a people is a poor one in this province. The brick and tile industry, including tiles, stair treads, pedestals, and zocles of stone, is now dull owing to the use of reenforced concrete in the construction of buildings, and I believe that the factories at present engaged in this business will have to close down owing to lack of demand.

MANUFACTORIES.

This branch of commerce is very small, the only manufacturing done in the province up to the present time being the making of native hats from bamboo and rattan; baskets, hampers, screens, strainers, and sawall, all of bamboo; rattan hammocks; sabutan hats and pocket cases; shoes, slippers, sandals, clogs, harness, and belts; and pina embroidery.

NATURAL RESOURCES.

The natural resources are timber, rattan, charcoal, bees' honey, wax, gums and resins, building stone, guano, and other minerals, including coal, which are not developed.

NONCHRISTIAN OR PAGAN TRIBES.

There are several nomad families in the mountains of Tanay called Dagat-dagatan, Lanay, Panusugunan, and others; in the mountains of Antipolo called Uyungan, Sare, and Lumutan, and others bordering on the barrio of Bosoboso; in the woods and sitios in the jurisdiction of San Mateo and on the Garay River called Pinauran, Cabooan, Lucutan malaquil. These families are estimated to number 1,000 individuals, it being worthy of note that these people come down to the settlements to sell rattan, gugu, wax, bees' honey, and resin in small quantities.

POLITICAL CONDITIONS.

During the present fiscal year harmony and good understanding among the governing officials of the province have been observed, and they have worked jointly for the success of good government. The good understanding between them and the people has also been noted in the latter's compliance with their duties, in spite of a diversion of political creeds represented by the following three political parties: The Nacional Inmediatista, the Liga Popular Nacionalista, and the Nacional Progresista.

Before the recent elections for delegates and provincial and municipal officers, political orators multiplied to such an extent, and made so many speeches at political meetings, so frequently held in the municipalities of this province, that

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

they produced a certain confusion in the minds of the people, as some believed in and expected prompt independence, and not only that but the abolition of all taxes which, according to them, are a heavy burden on the people; while others maintained that immediate independence, far from bringing any benefit to the country, would bring disturbances, internecine war, and as a final result the loss of that independence and the domination and government of the country by foreigners. Some time after the elections many who had expected immediate independence changed their minds, realizing that much they had heard and had been promised would not be fulfilled, and that no government can exist without the means necessary for its support.

There is at present a lull in politics, and the politicians who have heretofore figured in the political arena are quiet, perhaps for the purpose of recovering their strength for future election struggles when they will be able to carry on the campaigns with increased vigor and strength.

Political speeches have resulted in some good and in some harm in this province, for while some residents have pondered over and studied what they have heard and selected what was good, others on the contrary have believed everything that they have heard.

The religious question also has resulted in a certain restlessness, as some people have taken the question home to themselves and have created enmities, rivalries, and even hostilities between different sectarians. The municipalities of Marikina, Malabon, and Navotas have been the victims of these conditions. However, such state of affairs has not induced the provincial authorities to adopt energetic measure in the premises, although it has given rise to a certain amount of delay in the moral and material progress of those pueblos, for while the governing authorities belong to this or that religion some of the governed belong to other creeds and seize any trivial motive to complain against the action of the former not in accord with their ideas.

PUBLIC HEALTH AND SANITATION.

Every municipality in this province with the exception of Jalajala, Las Piñas and San Juan del Monte has a municipal board of health, the presidents of some of which are licentiate in medicine and surgery.

During the present fiscal year it has been observed that there has been an improvement in sanitation, owing partly to better hygienic conditions and to the measures adopted by reason of the invasion by the traveler from the Ganges of many municipalities. As a result of this invasion 36 cases and 30 deaths from cholera were recorded in the third and fourth quarters of 1907 in the municipalities of Calocan, Navotas, and Pasig; and during the first quarter of 1908, 138 cases and 104 deaths from said disease were reported from the municipalities of Antipolo, Las Piñas, Marikina, Parañaque, Pasay, Pasig, San Felipe Neri, San Mateo, San Pedro Macati, Taguig, and Taytay. While measures adopted at that time soon put a stop to the ravages thereof in some of the municipalities mentioned, in others it persisted for a long time, owing no doubt to the impurity of the drinking water, as many of the municipalities of this province, such as Malabon, Navotas, Pasay, Parañaque, San Felipe Neri, San Pedro, Macati, Taguig, Taytay, and others have no supply of pure drinking water, and hence the great need and importance of artesian wells in these municipalities for the preservation of public health.

Respectfully submitted. .

JOSÉ TUPAS,
Governor of the Province of Rizal.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF SAMAR.

OFFICE OF THE GOVERNOR,
PROVINCE OF SAMAR,
Catbalogan, March 1, 1908.

SIR: In compliance with law I have the honor to submit the following report for the period May 21, 1907, to March 1, 1908.

GENERAL CONDITIONS.

Conditions in the province of Samar have not improved as fast as we have worked to improve them, but have continued satisfactorily. The pulahaniam with which we have had to contend is being slowly but gradually and surely

brought to an end, resulting in a general state of peacefulness throughout the island. Otoy, the only remaining chief, with a few followers, is still outside the pale of the law with a few guns, but nothing is known of his whereabouts, notwithstanding the frequent expeditions made by the constabulary and the use of different modes of espionage. There are no disloyal tendencies among the civilized population of the province, and they are in earnest harmony and working with the hopes and purposes of the insular as well as the provincial government. A great improvement has been noticed all along the line during the past year. Only one disaster of any magnitude has been visited upon this unusually unfortunate island. The typhoon which visited the southern part of the island on January 10, 1907, caused a considerable amount of damage, which was fortunately confined, however, almost wholly to buildings. The principal product of this region is copra, and the cocoanut trees were not materially damaged.

Provincial and municipal elections were held on the regular election day, November 5, 1907, and were, in most instances, quiet and orderly, with the best of sentiment prevailing, which was not only satisfactory but gratifying, in view of the great number of candidates in the field for numerous offices.

After the elections, however, in the towns of Basay, Capul, Villareal, Oquendo, and Gandara, the elections for the presidentes were appealed to the court of first instance.

The election struggles—provincial as well as municipal, which were exciting—were in most cases founded on the difference of opinion as to the ability and intentions of the candidates to perform the duties of the office to which they aspired, and I am pleased to say that in most instances the marks of these battles passed away after the report of election returns had been received by the public, and I feel satisfied that such will entirely disappear after the various successful candidates have started upon the performance of their public duties.

The township settlements established in San José, Matuguinao, Ynabangan, and Concord (Magtaon) are going along satisfactorily. Their inhabitants apply themselves to agriculture and are rendering cordial obedience and respect to the government. In Concord there is a company of constabulary under the command of Lieuts. Graham S. McTavish and Alejandro Yance, who are working incessantly for the enlargement of the barrio and the advancement of the residents, providing them with the various means by which they may establish their fields of hemp and other profitable crops.

For the best interests of good government in the Province of Samar I believe that it is necessary to establish more detachments of constabulary, especially in the town of Gandara and in the barrio of Dowa, Basay, relieving the detachment of military that is now in the Gandara Valley, as they are unnecessary there. The fact that they pertain to the Regular Army and not being called upon to intervene directly in civil-government matters is why I say they are unnecessary, while a body of constabulary would be obliged by law to render assistance to all officers of the law, provincial as well as municipal, as it is a well-known fact that all of the former troubles of this most unfortunate province started in the Gandara Valley.

It is necessary that the local authorities be carefully watched in that they treat the mountain people with kindness in all of their dealings and impart to them a knowledge of their duties and rights.

POLITICAL CONDITIONS.

The provincial and municipal elections held on November 5, 1907, demonstrated that substantial progress was being made in exercise of suffrage, which shows clearly that more actual interest is being taken in public affairs.

Pulahanism has been terminated in all parts of the island. The vigorous policy inaugurated after the Magtaon affair of last year has resulted in the killing or capturing of all the leaders. With these leaders gone the members of the various bands have either surrendered or quietly slipped back to their homes. Otoy, helped by Angeles and a few followers with a few guns, are the only pulahans who are still in the mountains. They have been unceasingly pursued by the constabulary. No part of the province had an attack from them during my administration.

The province is, however, far from being in good shape politically. Each town has a number of partidos or factions, each working industriously to bring all the others to grief. This condition arises from a number of causes. Most

of the factions are outgrowths of the insurrection, and these feuds will terminate only when the principal actors have been gathered to their fathers. (For this reason impartial insular officials should be selected for duty in Samar.) Furthermore, many llos arise through the failure of the people to appreciate properly their political rights. Political opponents become personal enemies, and the losing parties in the election are prone to secure the downfall of the successful. The ignorance of the duties of citizenship leads them to believe that personal gain is the end to be accomplished by the elections, and they do not comprehend why they should smother their disappointment and turn to help the successful candidates. Instead of doing this, they prepare long instancias and embark in a barota for a visit to the capital where they air their grievances before the provincial board and refuse to be comforted.

Every town has a certain number of people whose sole occupation is governing. In a little town where the governing should not occupy the entire time of more than one man there will be 15 or 20 satellites revolving around the tribunal, and as many more of *en contra* waiting for their turn. Many of these who are elected to the councils immediately drop all private business and give their entire time to governing instead of the advancement of their country or to instructing the multitude as to their rights, or better still, making proper provisions for their families. However, vast improvements are noticeable as they begin to adjust themselves to the workings of the present government. The writer has made a special effort to instruct the municipal officials in the responsibilities of their duties and the rights of citizenship and suffrage. This work included mock elections, mock trials, organization of municipalities, great stress being laid on the studies of municipal and provincial codes, and it may be remarked that all seemed eager to learn the right way.

One of the great curses in Samar is gambling. It pulls many down to misery, and has already been the cause of crime. With a view of causing the disappearance of this very hurtful vice, I recommend intervention for extermination by the constabulary, as it is the only means that will totally correct it.

In some municipalities many councilmen are completely ignorant of their duties and responsibilities, as they do not know the municipal code and other laws relating to the same. There are towns which for this reason regulate their municipal ordinances in an illegal manner, committing oppression upon the inhabitants in such a way that many can do nothing with their own personal interests without previous permission from the president, councilman, or lieutenant of the barrio. This is due to the interpretation of section 34 of the municipal code, which provides that all municipal ordinances shall be in force within ten days after they have been approved. In my opinion the same is in conflict with Act No. 1791, which provides that all municipal resolutions be approved by the provincial board. Such municipal ordinances made by inexperienced officials, and in an illegal manner, as they do not concur with the municipal code, although contrary to law, are put in force in accordance with section 34 after the time fixed by said section has expired.

I recommend the amendment of said section 34, regulating it as a whole as provided by the cited Act No. 1791.

RELIGION.

There exists no religious conflict in Samar. The people cling steadfastly to the mother church. The priests are totally disinterested in matters which do not concern them, applying themselves only to compliance with their duties, and while attending thereto impress upon their flocks the interest that all of them should take in the present government.

FINANCIAL CONDITIONS.

The financial condition improved during the first months of the past year, but is now declining, owing to the low price which is now being paid for hemp, the only article of large production in this province, and the high price of rice, which is one of the first necessities.

The operations of the general fund is the only one in which great interest is taken by both the officials and employees of the province and the inhabitants and taxpayers of the province, as this is the fund in which all the taxes, with the exception of a few special ones, are included, and from which all the ordinary expenses of the provincial government are met. The following is a

statement of the financial transactions of the treasurer's office during the period July 1, 1907, to February 29, 1908.^a

Owing to the former pulahan trouble in Samar, the revenue of the province has been hardly sufficient to meet the current obligations. During the period from July 1, 1907, to February 29, 1908, after the suppression of pulahanism, there were paid many outstanding obligations contracted during the time warfare was being waged against the outlaws. There still remain many obligations, some of which are just charges against the insular government, but which the province is being forced to pay. For this reason no extensive public works were possible during the period cited, and although the amount of money expended does not give a proper idea of the amount accomplished, considerable having been done by the provincial prisoners which naturally does not show in the statement.

The large expenditure for salaries of the treasurer's office was mainly due to the extraordinary expenditures for the new assessment of real property under the provisions of Act No. 1455. The time allowed for this work was very short and it had to be done with all dispatch possible. A large number of clerks were employed, including two Americans at large salaries. As many of them were sent to various municipalities, the item of traveling expenses for other officials and employees was largely increased over the amount that would have been expended in ordinary times.

Although rated as a province of the third class, considering the number of inhabitants, the number of municipalities, and the necessarily large amount of work consequent thereto, Samar should be rated as a province of the second class. If the area comprised is considered as having anything to do with the classification, Samar should be several first-class provinces. Only by reason of the small revenues is Samar retained in its present class. The cost of administering the affairs of the province equals the similar expenses of many provinces of the second and first classes.

This large cost of administering affairs is due to the large territory to be covered and the large number of towns—32—a larger number than many of the provinces of higher class.

As in all hemp provinces, the price of labor and clerk hire is very high, the salaries paid in Samar being from 25 to 50 per cent higher than for the same grade of work in other provinces where the principal product is not hemp. Even at the high salaries the natives of Samar do not care, or are ineligible, to occupy some of the higher positions in the provincial government. The provincial fiscal is a native of Negros, the recorder of the provincial board is a native of Iloilo, and the bookkeeper in the provincial treasury is a native of Bulacan, etc.

The unsettled conditions in Samar since the American occupation have prevented the people of the province and the employees of the provincial government from lending their best endeavors to the conduct of the local governments and of the offices of the local government. Now that peace is assured, a change of the conditions may be looked for, when it will no longer be necessary to bring in native officials and clerks from other provinces and pay the high salaries made necessary by reason of their being away from their homes and friends.

The condition of the municipal governments on February 29 was excellent, except in a few isolated cases. Only four of the towns were indebted to the provincial government for loans of money, and only three or four were indebted to any extent for salaries for previous years. The others have paid all their indebtedness resulting from pulahanism, and are now in a position to accomplish some work of a permanent nature. On that date funds belonging to the various municipalities to the amount of ₱25,000 were held in the provincial treasury awaiting payment to them or deposits by them.

AGRICULTURE.

Samar is a province totally agricultural. In the northern part the productive articles are hemp and rice; in the western, southern, and eastern parts hemp, copra, rice, corn, and camotea, although the last 3 are planted only for local consumption.

In former years the rice harvest was very large, and rice was exported outside of the province; but owing to the lack of animals the production to-day is

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

not enough for local consumption. In the towns of Catubig, Palapag, Laoang, and Gandara, in the northern part of the province; in Wright and Calbiga, in the southern part; and in Doalors, Oras, and Taft, in the eastern part, towns whose rice lands are within reach of the large rivers, there could be established irrigation and modern agricultural machinery to replace the animal labor, which the province lacks. If these towns could provide themselves with irrigation and modern farm implements it would give a progressive result in agriculture.

Capul with its great depth of sea would be very convenient for the establishment of salt works of some importance, which would be another great benefit to the province, as it would become one of the important industries.

The exportation of hemp and copra is more than in former years or before the American occupation.

COMMERCE AND TRANSPORTATION.

There has been a falling off in commerce during the past month, owing no doubt to the low price of its products. The mercantile companies of the province established on a large scale are the *Compañía Tabacalera*, Warner, Barnes & Co., Orlo Hermanos, and *Ynchausti y Compañía*, while the other commercial houses are in the hands of Chinos, who control all the retail trade. I have done all that I could to induce the Filipinos to enter commercial business, and some have established stores and are doing well, although they encounter difficulties in competing with the Chinos.

Transportation has vastly improved since the inauguration of commercial boats running under contract with the government. The greatest disadvantage under which the insular, provincial, and municipal authorities are at present laboring is the lack of mail facilities. This is due primarily to the great distance between towns and the excessive cost of transportation, especially by water, except to points touched by steamer. Samar is practically without first-class roads, and during the months when it is possible for barotas to go from point to point and from town to town all transportation is by that means. The present service given by the steamer *Tarlac* to Guluán, on the south coast, and to Borongan, on the east coast, is excellent and deserves the highest commendation from all the people of the province.

The same can be said of the service rendered by the bureau of navigation steamer *Busuanga*, which touches at Allen, on the northern end of the west coast, and at Cariangian and Laoang, on the north coast. These steamers are running on fixed schedules and seldom vary therefrom. It is no longer necessary for intending passengers and shippers to waste several days waiting for the arrival of these ships, as was formerly the general custom and is still necessary when taking passage on the other steamers.

MAIL, TELEGRAPH, AND TELEPHONE.

There are still necessary great improvements in the mail service given by the bureau of posts. As, for instance, the municipality of Wright has a post-office, but no means of transporting their mail to the nearest town, Catbalogan, unless some kind citizen or an employee of the bureau of posts happens to be making a voyage from Wright to Catbalogan, or vice versa, and is willing to carry the mail.

The municipalities of Zumarraga and Calbiga, within several hours' sail by barota of the provincial capital, have no post-offices or mail carriers. All letters carried between these towns and the capital and other towns are by merchants or citizens who may happen to be making this trip.

The municipality of Santa Rita, situated at the northern end of the San Juanico Straits, is within a stone's throw of the channel through which all ships pass, and has absolutely no mail service, although within a few hours by barota from Tacloban, Leyte.

The municipalities of Lavezares, Palapag, and Pambujan, on the north coast, have neither post-offices nor carriers between them and nearby towns having mail service.

The island towns of Almagro, Capul, San Antonio, and Santo Nifio have no mail service or carriers to the nearby towns having mail service. Transportation between Allen and the island towns of Capul and San Antonio is difficult and dangerous during the larger part of the year, and between Calbayog and the island towns of Santo Nifio and Almagro, and it can not be expected that the bureau of posts will maintain a profitable mail service between these towns.

Under present conditions it often happens that letters are delayed weeks and months between these island towns and nearest post-offices. This delays reports from these towns, and makes necessary long, frequent, and tedious explanations to bureau chiefs in Manila, who are unable to appreciate the difficulties of transportation in Samar. This is the least of the disadvantages caused by lack of mail service.

On the east coast there is a carrier who goes from Borongan to Oras, touching at the towns of San Julian, Taft, Sulat, and Doalors, making two round trips a month. This furnishes a good, even if infrequent, mail service between these towns. The largest town on the east coast, with the exception of Borongan, Llorente, has a carrier, but no post-office.

The municipality of Calbiga has a postmaster, but no means of transporting mail, except chance passers-by, and the nearby towns of Calbiga have neither postmaster nor carrier.

A weekly or semimonthly mail service should be established to cover the towns of Zumarraga, Calbiga, Villareal, and Wright, making a mail route in the form of a circle, starting from Catbalogan and reaching the other towns in the order in which they are given.

There should be a mail route by land (the road is good) starting from Lavarezas and going all the way across the north coast, touching at the town of Bobon and port of Carianglan, and at the towns of Catarman, Pampujan, Laoang, and Palapag, with a weekly or semimonthly service.

There should be a mail route from Santa Rita to Tacloban, with a weekly service. All the routes outlined above are perfectly feasible, no insurmountable difficulties being encountered in any of them. The route from Catbalogan to Zumarraga, Calbiga, Villareal, Wright, and return to Catbalogan is always by water, and nearly all of it within water that is protected at all times of the year sufficiently to permit passage by barota except during violent storms.

The route along the north coast can all be accomplished by land along roads and trails which are passable at all times of the year, and this route will be neither difficult nor costly.

The route from Tacloban to Santa Rita is throughout its course within the San Juanico Straits, and a mill pond would be rough in comparison.

I recommend that the telegraph line on the east coast be extended from Borongan to Llorente and from there to Gulan on the southeast coast and united with Basay, which is at present connected with Tacloban, Leyte, by cable; that the station at Concord be cut out; that there be substituted a telephone line connecting with Catbalogan or Wright, and that the telegraph line at Borongan be extended to Oras, the last town on the east coast, in this way uniting all the towns in the province with the outside world.

PUBLIC INSTRUCTION.

Schools were opened on June 10 in 14 municipalities. The force of American teachers was small, and we were compelled to postpone the opening of school until the same could be increased. During July and August several new teachers arrived and several temporary appointments were made until the maximum number of 24 was reached. Of Filipino insular teachers, 15, and of municipal teachers, 157, were appointed. Schools were opened in 31 of the municipalities, and the average attendance reached 11,500 in October, the last month before their closing for the institute.

Industrial work has been carried on in all the schools and manual training has been very successfully taught in the provincial schools. Teachers' normal institute was held for the teachers of the east coast in Borongan, and for the teachers of the west and north coast in Catbalogan. Courses in industrial work, which were expected to furnish outlines for the teachers to follow during the remainder of the year, were given. Teachers' training classes were organized and carried on throughout the term. Every effort was made to render the academy instruction as profitable as possible, special attention being given to arithmetic, English, composition, and letter writing. The results obtained were very gratifying, indeed.

Agriculture, manual training, and domestic science should be given more time and attention than is now being devoted to them.

The schools must have more revenue. The work is crippled very sadly by lack of funds with which to build and equip new school buildings. Teachers can not be paid sufficiently high salaries to make the service attractive to them. Some provision should be made whereby the internal-revenue refund for the

schools would be based upon the actual attendance instead of on the population of the district.

It happens that the largest towns in Samar are the poorest school towns, and consequently we have large supplies in some of them, while poor towns like Basay are not able to support nearly as many schools as they would gladly support with an increased revenue.

An additional per capita tax of 50 centavos per cedula would be paid cheerfully and would work no hardship on the people, who are now the smallest taxpayers in the world, where organized government is supposed to exist.

It is also recommended that the Gandara Industrial School be declared a part of the provincial school. At present there are no funds from which necessary expenses may be drawn, such as registration of the title of the lands, etc.

It is also recommended that some sort of compulsory-attendance law be enacted that would make it possible to force attendance in places where it might be desirable to do so. The greatest curse of the people is their ignorance; they have not yet reached the point where they are capable of judging what is best for their children, and consequently many of them keep their children away from school because they can not understand the value of education.

I take great pleasure in stating that the American school-teachers of this province have done a great deal, not only to spread education among the people, but by the exemplary lives that they have led to command the respect and confidence of the people and to materially assist the government in every way. For the most part the teachers rendered most faithful and conscientious service and endured the hardships incident to the service in this island with commendable cheerfulness. Great credit is due our very able superintendent, Mr. Hoover. The people here have the utmost confidence in him, and he learns perhaps more of the conditions as they actually exist than any other official in the province. The writer has found his counsel to be most useful to him, and good government has no firmer friend in the islands than he.

In the settlement of Concord (Magtaon), Mrs. Alejandro Yance, who has a good knowledge of English and is the wife of Lieutenant Yance of the constabulary, volunteered to teach the children and young people of the settlement. She finally succeeded in getting the attendance of from 60 to 80 per day. Special credit is due her for the great advancement of the children of this settlement.

PUBLIC HEALTH.

Public health is good. Dr. G. I. Cullen, district health officer of Samar and Leyte, is unceasing in his vigilance in seeing that the laws concerning sanitation are complied with.

INTERIOR GOVERNMENT.

With reference to the establishment of the subprovince, I recommend that the governing thereof be given to a person of undoubted zeal—a natural leader—morally and mentally capacitated, who has the interests of the people at heart. It will be an opportunity to make them understand their duties and individual rights.

It should proceed with the opening of the following trails: First, that running from San José to Blanca Aurora (barrio of Gandara); from Blanca Aurora to Matuguiniao (the township settlement in the Gandara Valley), and from Matuguiniao to Catubig, on the northern coast of the province; second, that running from Catubig to Oras, passing through the interior barrios of San Vicente and Concepción; and third, that running from Basay to Soribao (a barrio of Borongan), passing through the barrio of Magbag, halfway between Basay and Borongan. These trails being opened up one will be able to pass from one side of the province to the other without much difficulty.

PROVINCIAL JAIL.

When I took possession of the office of provincial governor there were 53 prisoners confined in the provincial jail, and since that time there have been 76 received from the different courts of the province, most of them being the remaining members of pulahan bands. There have been 17 prisoners transferred to Bilibid prison. The average sick rate in the provincial jail for the nine months past has been 3 per cent. There have been only two deaths during the whole year of 1907 and up to date of the year 1908, of which one was an in-

sular prisoner who had been transferred to the jail from Bilibid prison and who died from malignant dysentery, and the other a provincial prisoner who died from mitral regurgitation. Sanitary conditions of the provincial jail are excellent. The provincial guards are very competent and, I feel satisfied, can compete with those of any other province in the archipelago. There have been no escapes.

MUNICIPAL POLICE.

Not much can be expected from the municipal police force. Owing to the lack of funds in many of the municipalities it is impossible to offer good salaries for good policemen. With the inadequate salary now paid it can not be expected that desirable persons would wish to enter the service.

However, the present organization is neither satisfactory nor efficient. They are uninstructed in their duties, are used by the presidents and other municipal officials in other capacities than that as police, and many have never been taught the use of firearms. Few are qualified mentally or physically for the position they hold; there is no uniform method of selection and discharge; there is too much danger, under present loose organization, of loss of arms intrusted to them, and I respectfully suggest reorganization on the following lines: That a competent police officer be available in each province for detail as chief of police, and be detailed at the request of the governor and relieved or changed at the request of that official; that each municipality furnish not less than 3 nor more than 6 policemen for duty under the officer detailed at the provincial capital; that they be instructed in the duties of policemen and in target practice; that they act as guards in the provincial jail during their tour of duty at the capital; and be taught the proper way of serving warrants, getting information, producing witnesses, etc. This plan would unite at the provincial capital 20 or 30 policemen under the direct command and supervision of a competent American police officer, where they could be drilled, disciplined, and instructed, which would make them invaluable assistants to good government when they return to their towns. Appointments to the police force should be made by the chief of police upon the recommendation of the municipal council and approved by the governor; medical examinations to be made by doctors; discharge to be made by chief of police upon approval of the provincial governor; to be subject to transfer from one municipality to another as the exigencies of the service demand; to be uniform throughout the islands with a distinguishing mark of the province and municipality to which they belong, and uniform throughout the provinces.

RECOMMENDATIONS.

That in the town of Catbalogan, capital of the province, a special law be enacted for its municipal corporation, granting it more autonomy, especially in the matter of public works, and providing that all the municipal officials shall be duly qualified, making a special selection of those who are to form this municipal corporation, in order that the town of Catbalogan as the capital of the province shall be a true model for the rest of the towns, as much in administration as in public works, cleanliness, hygiene, and salubrity.

That the forestry tax be entirely suspended except for commercial purposes, and that where the value of the timber cut does not exceed ₱1,000 it be not considered for commercial purposes.

That as many of the prisoners who are now in Bilibid prison from this province serving sentences for bandolerismo, and the records of whose cases show them to have been mere accomplices, be pardoned, as there is no doubt but that their complicity was due to ignorance, and in consequence are innocent of the acts which they have committed. Many of them have poor wives and children who are dependent upon them.

CONCLUSION.

Present members of the provincial board have worked together in perfect harmony. There have been no conflicts in their decisions.

The provincial treasurer, Mr. Dawson, is a most excellent and painstaking official and competent treasurer. He is a young man of ability, courageous and honest, and a strong advocate of our principles here. We have a very competent set of clerks and deputy treasurers.

In turning over the office to my successor, the Hon. Máximo Cinco, a native son of Samar, who is acquainted personally with most of the people of this province, I feel confident that he will receive the same support from the generous people that I have during my short term as governor, and that they, under his able administration, will continue to advance.

I desire to thank the business firms here for their kind assistance, which they have always been ready and willing to render to myself and other government officials, and in leaving this province I desire to state that I do so reluctantly, as I have formed an attachment for the people of Samar which makes it hard for me to leave them.

Very respectfully,

J. B. MURPHY,
Governor of the Province of Samar.

The GOVERNOR-GENERAL.

Supplemental report of the governor of Samar.

[Submitted in English.]

OFFICE OF THE PROVINCIAL GOVERNOR,
PROVINCE OF SAMAR,
Catbalogan, July 1, 1908.

SIR: I have the honor to submit the following report upon the conditions of this province from March 2, 1908, to date:

ADMINISTRATION AND PROGRESS OF THE PROVINCIAL GOVERNMENT.

There have been some changes in the administration of the provincial government, as both the provincial governor and the third member of the provincial board recently elected assumed their offices on the first Monday of March. The provincial treasurer took charge in November last, so the provincial board is practically new; but its members have always worked in harmony. In the formation of the estimates of the provincial government for the fiscal year 1909 the provincial board has been able to economize somewhat in the salaries in the offices of the provincial governor and treasurer, making a saving therein of over ₱3,000. The monthly balances in the provincial treasury have been increasing rapidly since the beginning of this year. On December 31, 1907, there was a balance of only about ₱6.90 in the general funds of the province, but on June 30, 1908, there was a balance of ₱25,224.01 in the general fund and of ₱73,476.71 in the road and bridge fund.

The province has been self-sustaining for some time, and will not only continue so, but will be able to construct roads and permanent improvements. A very substantial vault will soon be built inside the provincial jail—work on its foundations has already begun—in order to insure all the documents and files of the various provincial offices and court records from danger of fire. In May the provincial board adopted a resolution to build the Carañigan-Bobon road as a section of the Carañigan-Calbayog road, appropriating for the purpose about ₱40,000. This part has already been surveyed, and it has for its object the giving to the proposed road a good and secure harbor on its north end at Carañigan. There was also appropriated ₱6,000 for the survey of the Bobon-Calbayog road. This road is to go through the interior, from Bobon nearly following the course of the Bobon River, then following down the Pilar or Himonini River to near its mouth on the west coast a little above Calbayog. The country through which it is to go is rough in many places, but level and easy in others, and there are along it several good and extensive plantations of hemp. It is thought that it will not only develop, but also populate the interior, and place Calbayog, the largest municipality of this province on the west coast, in communication with Bobon and Carañigan, one of our best harbors on the north coast. The estimate made by the district engineer of the cost of said road, from Bobon to Calbayog, ₱800,000, and ₱40,000 from Carañigan to Bobon, has made the proposition a very hard one for the provincial board, as the estimated amount of money available for roads and bridges with the collection of ₱2 cedulas is about ₱125,000 per year, so that it will take about seven years of road and bridge funds to build this road alone. It was intended to build a permanent system of roads as follows: From Carañigan, barrio of the municipality of Bobon, and perhaps the best harbor the province has on the north coast, to Bobon; from there through its interior barrios, Acereda and Santander,

and nearly following the headwaters of the Bobon River; thence down the Pilar or Himonini River, through the barrios of Macatigog and Pilar of the municipality of Oquendo to Calbayog, following one of the banks of the Hibatang River; from Calbayog to Catbalogan, following near the coast, and from Catbalogan and very near the coast to Wright, there to connect with the Wright-Taft road, which was thought would be very useful if completed, at least as far as the barrio of Malinao, in order to establish water connection with the town of Taft. This system would put into communication the provincial capital, Catbalogan, with Calbayog, the largest municipality of the province, and with the interior and the north coast—a very good hemp country—and with Carafigan, our best harbor on the north coast. It would also place in communication the provincial capital with the municipality of Wright, with over 10,000 population, which is the beginning of the Wright-Taft road toward the east coast. Thus the capital will be in communication with the north and east coasts. It is estimated that the population along the Bobon-Calbayog road, including the poblaciones of both towns and the intervening barrios, is 17,368; that along the Carafigan-Bobon road at about 3,500; that along the Calbayog-Catbalogan section at 17,905, and that along the Catbalogan-Wright section at 6,548.

GENERAL CONDITIONS.

The general conditions of the province have been constantly improving for the past few months, owing to the capture and killing of several important pulahan officers belonging to Tiducduc's and Otoy's bands, to wit, 3 majors, 3 captains, and 2 lieutenants, and to the capture of two .45-caliber Colt revolvers, ammunition for same, and some Springfield carbines, spears, bolos, as well as papers, documents, and stamps of Otoy. Law and order prevail throughout all the municipalities with the exception of the interior district of Borongan, at the headwaters of the Suribao River, and the interior of Calbiga and Basey, where Otoy, the only pulahan leader of importance, is still at large with a very small following. Since about November, 1906, the pulahans have been hiding and concealing themselves without doing anything that can be especially mentioned. To keep hiding is their sole purpose, and this province being so large and so very mountainous it has not been possible in the past to find their hiding places with the 6 companies of constabulary stationed therein at the time of my induction to office.

In the month of March, by agreement between the district director and the writer, 4 more companies were brought to this province, all belonging to the second constabulary district. In view of this increase, a rearrangement of stations has been made for the purpose of running down fugitive pulahans more effectively than heretofore. At the same time there has been a reorganization of the secret service. The 10 companies mentioned are stationed at present as follows: *

With these 10 companies and the new arrangement of stations it is believed more effective operations can be made against Otoy, especially with the effective assistance rendered by municipal spies and the secret service organized by Lieutenant Sulse before his appointment as lieutenant-governor. These 10 companies, with the good corps of officers we have in the province at present, are sufficient to hotly pursue Otoy and his few followers, and to run him down wherever he may be found hiding with his companions. According to our latest information, Otoy's band has been reduced to himself, 2 nieces, Siday and Cone, his brother-in-law, Maj. Graciano Banigoos (alias Garne), now Otoy's secretary, Capt. Simeon Isidro, Lieutenant Tomas, and Corporal Francisco, since it was surprised by Lieutenant-Governor Sulse on June 18, when Basilio Banigoos, Otoy's brother-in-law, and one of his confidential men were killed and two others wounded. Active operations were begun in April, and since then most minute scouting work has been carried on throughout the province, especially in the interior and back of Borongan and Llorente on the east coast and back of Calbiga and Basey on the west coast. According to our latest information, Otoy does not stay more than one day in a place with his companions, and at present they are very short of supplies and provisions. The number of firearms still in the hands of the pulahans is reckoned, from information received, to be 11 Springfield carbines and 2 Krag rifles. Of these 6 only are serviceable, the rest being useless; and they are also very short of ammunition.

* Omitted and filed in the Bureau of Insular Affairs, War Department.

Since March 2, 1908, all the municipalities of the province have been visited except 7, and 2 of these latter were called at, but landing was impossible on account of the heavy sea. Of the barrios, 33 were visited, including old municipalities which are now barrios, while some of the municipalities and barrios have already been visited twice.

The only attempt by the pulahans to recruit men and form a separate band from that of Otoy was the one made in the interior of Balañgiga by Major Ignacio Benazo, which was checked in time by the teniente, assistant teniente, and residents of the barrio of San Juan, and terminated in the capture of the 2 leaders and the killing of another, in the sitio of Maribid, jurisdiction and interior part of Balañgiga River and town.

Most of the barrios visited had not been inspected by the governor of the province for from ten to fourteen years, some for eight years, while only two or three were visited three or four years ago. These visits to the barrios have brought very good results, as I had an opportunity to get into close contact with the barrio people, to know personally their actual needs and conditions, and to explain to them the present government, its many advantages over the former one, and that it does not forget the barrio people, as formerly. The inhabitants of the barrios felt very gratified by my visit and were very glad to have the opportunity to see and talk to the governor.

The people of the province are now realizing that the most important thing for them is to cultivate their lands and plant food crops, owing to the present low price of hemp. Some of them have good-sized farms and others have enlarged their area of cultivation, while all are occupied in planting all kinds of food crops to such an extent that the area of cultivated land at present is, in some cases, twice as much as last year, and in others three or four times as much. The crops gathered one or two months ago in some parts of the province were abundant, and in some cases were the best the people have had in the last four years. The custom of securing two crops yearly is rapidly spreading among the farmers, as they are now realizing the benefits and advantages of the same. The sale of hemp at present is very slow, as the people are busy clearing their lands, enlarging their farms, and planting all sorts of food crops, inasmuch as they think this the best security against the low price of hemp and the possibility of famine, which at present is very remote, as there is an abundance of foodstuff here, such as camotes, bananas, palawan, and many other products, in such quantities as the people think sufficient to maintain them for at least six or seven months. For this reason the sale of rice is very slow, especially where they have just gathered crops.

The settlement governments organized and established in accordance with the township act and with the approval of the governor-general, on July 6, 1907, are Concord (Magtaon), San Jose, Matugulnao, and Hinabangan; they have been improving right along. The inhabitants of the settlement of Hinabangan were the first to realize the importance and benefits of paying the cedula tax and voluntarily petitioned that they be allowed to pay the same last year and their cedula tax of ₱2 this year, knowing that a portion thereof is set aside by law to be spent in their settlement. Influenced by the good example set by the people of Hinabangan, the inhabitants of San Jose, Matugulnao, and Concord were also willing to pay their double cedula this year, but the majority of them could not do so before the time of delinquency, June 30, arrived. They made their farms around their settlements, and at present are better off than formerly. The settlement governments have proved to be a success and very satisfactory to this people and, as a rule, to the people scattered and living in the mountains, although many of them are Christians, as it is more suitable to their natural disinclination to be under the authority of the coast towns. They are a most docile and law-abiding people and appear to be very well satisfied with their present form of government. Hinabangan is the only settlement that I have had opportunity to visit. The acting division superintendent of schools has already appointed an American insular teacher for Concord (Magtaon) and other interior barrios; he is very much needed, as the people there are becoming interested in their own education and advancement.

AGRICULTURE.

Agricultural conditions are good in many respects, though not so good in others. The main drawback is the lack of carabaos, as there are no bulls and mules for agricultural purposes. This condition is due almost entirely to the conditions prevailing after the war, but especially to the rinderpest or epi-

sooty, which has prevailed in this province more or less ever since that time. It is also due to the lack of the services of one or two veterinarians with the necessary and sufficient supplies of antirinderpest serum to inoculate all carabaos, and to instruct the people as to their duty when carabaos are attacked by rinderpest and other diseases which mostly attack large cattle. The principal products of the province are hemp, copra, palay, camotes, bananas, tobacco, some sugar (panocha), palawan, and all kinds of foodstuffs. The crops lately gathered or harvested in many parts of the province, especially rice, have been abundant, except in a few of the barrios of three or four municipalities, where they were scarce owing to the presence of small bats, rats, and other small animals and insects attacking the plantations. The sale at present of both hemp and rice is very slow. The price per picul of hemp for the lowest class is about ₱10, and for the best class about ₱15. The farmers and hemp planters are now engaged in planting food crops in order to protect themselves against the low price of the hemp and against the danger of famine. The price of a picul of copra is fair at present. It is thought that the production of hemp next year will be larger than for several years past. According to reports from March to the present, the only locusts reported were seen in the municipality of Allen, barrio of Hubasan, though they did not stay but a short time and flew to other places. Last October I saw considerable damage done by the locusts on the east coast of this province, near the municipalities of Sulat and San Julian, especially in the former, where they had eaten the leaves of a cocoanut plantation of about 6,000 trees, leaving only the stems, the trees remaining almost shadowless. Horses were attacked by surra or glanders in Allen and in another town. Carabaos in the municipality of Tarangan are suffering from rinderpest, which began in the month of June. In that month 33 carabaos died in four barrios of Tarangan; 15 at Pagsanghan, 8 at Bahay, 7 at Buenos Aires, and 3 at Dapdap. This has been reported to the bureau of agriculture, which is sending one veterinarian to said municipality to attend to these cases.

The cultivation of maguey was begun in this province in the latter part of 1906, and while they were waiting for seeds from the bureau of agriculture, Manila, the people set out young plants of native maguey in the vicinity of Catbalogan, which seem to have given good results. Maguey at present is becoming popular, and is being planted in many towns around the coast of the province, especially on the north coast, and it is believed that it will become more popular, perhaps as much as hemp and cocoanuts in the course of a few years. About one month ago the native seeds and plants in the vicinity of Catbalogan have been dug up and transplanted by many persons for cultivation on their farms. The people of Catbalogan did not realize the importance of maguey cultivation and its benefits until lately, but now they do so and no doubt there will be a general rush and desire to cultivate it. Kapok, cocoa, sugar cane, and other useful plants are also cultivated.

The cultivated area planted with palay, camotes, bananas, cocoanuts, gawe, ube, palawan, apari, corn, cocoa, hemp, maguey, cotton, pina, tobacco, sugar cane, nipa, and camoting-cahoy during the first six months of 1908 was about two or three times as much as last year for the same period.

COMMERCE.

The commercial conditions of this province have been pretty fair, but received a considerable blow in the low price of hemp, which is one of its principal and most beneficial products. Copra has commanded a good price in the market, which has been steadier than that of hemp. Rice production has increased in almost every town. The production of camotes and other foodstuffs and tubers has increased very considerably in many towns, and still more are being planted by almost every farmer, owing to the decrease in the price of hemp. Hemp is also planted to a considerable extent at the same time as the tubers and other food plants. The sale of hemp has been very slow for the past few months, as the people are busy in cultivating food crops. The sale of rice has also decreased since the recent harvest of palay, especially in those towns where the crop was abundant, and even those where a fair amount only has been harvested. Palay is now being sold in the towns at about ₱2.50 per cavan or 25 gantas (125 pounds, approximately), and in those with abundant crops the cavan is sometimes obtained for ₱2 or even less. The camote is cheap, it being sold in the mountains at 25 or 30 cents Conant (new Philippine currency) per sack of about 100 pounds or sometimes about 120 pounds weight. In the towns it

costs about ₱0.50 per sack of about the same weight, and camotes can be found growing in this province almost everywhere, and in many cases in very extensive patches. Many farmers who have just had a crop of palay have planted it again for this dry season, together with tubers of all kinds. The importation of rice has decreased during the past fiscal year, especially during the first six months of the calendar year 1908, owing mainly to the crops harvested during the same period in the majority of the towns of this province. The exportation of copra during the last fiscal year has been more than the preceding one, and during the first six months of 1908 more copra was exported than during the second six months of 1907. The exportation of hemp this fiscal year has been less than that of the preceding.

The commercial firms that do the most business in the province are Warner, Barnes & Co., Compañía General de Tabacos de Filipinas, Orla Hermanos, Ynchausti & Co., Yu Biao Sontua, Limpango & Co., Pablo Ortega & Co., and the retail business is controlled by Chinese retailers, who in many cases compete with the above concerns. The Filipinos, however, have learned to form small companies, but unluckily have had very little success or none at all, and so far have been compelled to withdraw from business, as they have not been able to compete with Chinese retailers and great commercial concerns. But they continue to try again, and at present there are several natives who seem to have fair success in business and are trying to enlarge their business as far as they are able or their capital permits. The winning characteristics of the Chinese are their steadiness and perseverance, their great patience, their care in handling their business, and above all their way of living very economically.

ECONOMIC MATTERS.

The economic matters are in a very fair condition. The province has paid almost every bill whose payment had been long delayed on account of lack of funds, and is now self-sustaining and at the same time will be able to build roads and other public and permanent works. The general funds of the province at present will be a little over ₱22,000, after deducting the current expenses for the month of June, 1908.

The deposits made by the province with the International Banking Corporation in Manila, according to the resolutions adopted by the provincial board, as per instructions from the executive secretary, contained in the circulars from the executive bureau, dated May 25, 1907, and February 24, 1908, were as follows: At 2 per cent per annum, ₱10,000; at 2½ per cent per annum, ₱20,000 and ₱20,000; at 3½ per cent per annum, ₱20,000; their period of expiration being July 8, 1908, October 8, 1908, December 24, 1908, and April 8, 1908, respectively. Besides these amounts deposited and bearing interest, the province has a deposit with the insular treasurer of ₱24,237.21 for payment of any expenses of the province at Manila, whenever needed, instead of sending money thereto.

FINANCIAL MATTERS.

The financial condition has been steadily improving, in spite of the collection of the double cedula tax, which it was thought would be hard to collect, though it has not been so in the practice. The cash report for the month of June, 1908, shows the following funds:

General fund	₱25, 224. 01
Road and bridge fund	73, 478. 71
Congressional relief fund	51. 63
Total for all municipalities	2, 211. 22
Non-Christian funds	325. 78
Municipal deposits	35, 449. 17
Other items	11, 999. 85
Total for June	148, 738. 35

As against the following balance on June 30, 1907:

General fund	11, 578. 88
Road and bridge fund	2, 298. 52
Congressional relief fund	342. 35
Non-Christian fund	138. 84
Municipal funds	7, 769. 78

Total for June 30, 1907 **22, 128. 37**

The total amount of money collected from different sources from January 1 to June 30, 1907, was ₱134,037.33, against ₱242,148.65 for the same period this year. Even taking into consideration the extra peso collected for cedula this year, there is still an increase of ₱10,751, owing to a better collection of cedulas, and if it is still considered that the cedula for this year is ₱2, the collection has been well made. The increase in the collection of taxes for the period from January 1 to June 30, 1908, as compared with that for the same period last year, shows a general increase in almost all the items, to wit, registry of property, cart tax, municipal taxes, cedulas, weights and measures, municipal licenses, opium certificates, internal-revenue refund, etc.

The province will therefore be self-sustaining and at the same time will be able to spend a good amount of money in permanent public improvements. In the pay roll for the fiscal year ended June 30, 1908, the province has been able to economize expenses in this office and in that of the provincial treasurer to the amount of somewhat over ₱3,000 a year.

PUBLIC INSTRUCTION.

Public instruction is rapidly spreading among the people, and the inhabitants are getting more interested every day in the work of the schools and in their own education and advancement. The schools were opened this year in June, after their vacation time, as is done every year, with very good attendance. The work of the schools having been extended to the barrios, the barrio people are becoming interested in school work and do not mind any work, provided they can have a school in their barrio and get themselves educated. Their interest grew with the enactment of the Gabaldon bill, but was somewhat checked, owing to the want of surveyors, when the people learned that they need to have registered in the court of land registration the title of their school sites. The interest of the people in the work of the public schools is growing every day, interest which has not been shown heretofore.

The people, realizing that the education of the citizen is the surest and most stable foundation of good government, have rebuilt all schoolhouses destroyed in the towns and barrios by typhoons and fires.

At the close of the school year the total enrollment of pupils of both sexes numbered 16,580. There is no doubt that if the province had more teachers and more schools opened in the barrios this number would have increased considerably. It should have at least 36 American teachers, in view of the fact that it had, in 1903, 43 municipalities, 11 of which still continue as barrios and need much attention.

The following is a statement for the school year 1907-8 as compared with 1906-7:

	1907.	1908.
Supervising teachers.....	15	17
American insular teachers.....	20	18
American insular teachers (temporary).....	7	7
Filipino insular teachers.....	4	9
Filipino insular teachers (temporary).....	5	9
Municipal teachers.....	171	172
Apprentice teachers.....	124	96
Schoolhouses.....	151	96
Total enrollment.....	15,669	16,580
Total attendance.....	13,630	10,967

There has been an increase in the number of supervising teachers, several Filipino insular teachers having been added, also in that of Filipino insular teachers, Filipino insular temporary teachers, municipal teachers, and in the total enrollment; but though there is a decrease in the number of municipal apprentice teachers, still they are better paid this fiscal year than in the former, and the assignment of several Filipino insular teachers to the supervising work shows clearly their advancement, although this would have been greater if the province had more teachers. Even then, the increase in the total enrollment speaks very highly of the untiring efforts and good work of the small corps of teachers the province had.

The following expenditures were made by the various municipalities during this fiscal year just passed:

Salaries	₱18,723.69
Equipment	588.27
Construction	200.00
Repairs	879.75
Transportation	109.90
Rent	327.30
Total.....	20,808.91

against ₱19,867.72 for last fiscal year.

The people of the municipalities, and those of the barrios are very eager to build schoolhouses, and the only obstacle at present is the lack of surveyors to survey the school lands.

The province is now getting ready the titles of cession or donation made by several prominent citizens to the municipality of Catbalogan, and the latter to the province of the different lands for the construction of the provincial high school, and the art and trades school there. The site is sufficiently wide and large for the construction not only of these, but also of the dormitory school and other necessary and annexed buildings, and there is also ground enough for a school garden and agricultural classes.

The province has already appropriated ₱2,500 in June of this year to be added to the ₱18,000 appropriated from insular funds by Acts Nos. 1275 and 1580 for the provincial arts and trades school at Catbalogan, Samar, agreeing also to furnish sand and gravel for the construction of same, the total amount available for this construction being then ₱18,500 without sand and gravel. There was also appropriated by the province from general funds ₱10,000 to be added to the ₱15,000 from insular funds which the secretary of public instruction promised to Governor George Curry in 1906 or 1907, as stated by Governor Curry in his letter to Mr. Gilbert N. Brink, assistant director, bureau of education, dated January 14, 1907, so as to make an aggregate of ₱25,000, for the construction of the Samar provincial high school at Catbalogan. These amounts were appropriated from the general funds of the province.

I recommend very earnestly that this province be furnished with at least 8 more American teachers in order to meet the demands of the people, who from year to year are becoming more and more interested in their own education and advancement.

INDUSTRY AND MANUFACTURES.

The main industries and manufactures of this province are:

Mats.—The best mats, both in design and quality, are manufactured in the town of Basey, where not only mats, but fancy cups, flowerpots, and other curious things are made out of woven grass, almost in the same way that mats are woven to any kind of design. The same quality of mats, though not as beautiful in design, are made in the town of Sulat. Coarser mats made out of dried and tender nilpa leaves and of the leaves of a certain kind of palm, called in Visayan "barfu" of the pangdan family, are also made in the barrio of Pagsanghan, municipality of Tarangnan, and in Palapag and other towns on the north coast.

Pottery.—Round earthen pots, commonly called ollas, and flower earthen pots of any design are made in the barrio and island of Guintarcan, municipality of Villareal.

Baskets.—Baskets are made of different sizes and material. The baris, a bejuco basket, is made sometimes round and sometimes square, but always longer than wide. They are used sometimes as satchels or for dirty clothes, but often and especially as traveling baskets, taking the place of valises, and are manufactured in the municipalities of Catubig, Palapag, Laoang, Pambujan, Catarman, Bobon, and others in the north coast, and in Lorente, Borongan, Sulat, Taft, Dolores, San Julian, and others on the east coast. The common baskets, called ordinarily cestos, of various sizes and material, are made in almost every town of the province. Generally they are made of bejuco and of a brown and very often black colored vine called nito. Sometimes they are made with a cover and sometimes without, according to taste. There is a kind of basket, round in shape, but only about 4 or 5 inches deep, made of nilpa stems and used sometimes as a weaving basket, and also as a general work basket. These are made in some barrios of Tarangnan and Gandara, but especially in the barrio of Pagsanghan, of Tarangnan. The stems of nilpa, from

which they are made, are used sometimes for making ordinary house brooms, which are also made out of the cocoanut leaf stems.

Hemp.—Hemp is stripped in almost every town, not only for market purposes, but in some towns for making ropes of different sizes. It is still stripped here by the old process, though the quality of the hemp has improved with the use becoming general throughout the province of plain knives, instead of the toothed ones heretofore used for that purpose. It is one of the main products of the province.

Copra.—Copra is made of the cocoanut meat when it reaches its maturity, and is dried in the sun or sometimes smoked in the rainy season, though the latter process is not encouraged by the merchants on account of the copra rapidly losing its weight when stored. It is made in the municipalities of Basey, Balangiga, and Guiuan in the south, in all the municipalities of the east coast, and in some towns of the north and west coasts. It is the other principal product of this province.

Sinamay.—The weaving of sinamay ought to be encouraged, as it seems to be declining from year to year. Such weaving is now almost confined to that done for household use, as it is only woven when especially ordered for sale. It is made generally from the fiber of the pineapple plant, though that of the plantain is also used, especially of the varieties locally known as saba and balonán. The so-called piña cloth is woven from the fiber of the pineapple, as its name indicates, either pure or mixed with cotton. It is generally made throughout the province. The saba cloth, on the other hand, is made either from the pure saba fiber or from it and cotton, as in the case of piña.

Bolos.—Bolos are made almost in every town of the province and are of two shapes. One, commonly called "Visayan sundang," is a sharp-pointed bolo, and the other, called simply bolo, is the dull or wide-pointed weapon. The first is used for general purposes and the latter especially for clearing grass and splitting wood. It is sometimes 3 or 4 inches wide at the point. These two kinds of bolos are manufactured on a large scale in Basey, Borongan, and Guiuan, but native blacksmiths are making them in almost every part of the province. Fancy daggers are sometimes made to order, according to design given.

Sugar.—The native sugar, commonly called "panocha," is obtained by the old process of grinding the sugar cane by means of the old mill, operated by animal power, generally by one or more carabaos, according to the means of the maker. Panocha is made and molded on one-half or one-third of the cocoanut shell, and is manufactured in the municipalities of Gandara, Calbiga, Sulat, Taft, and in other towns of the province.

Hats.—The native hats manufactured are what in Visayan are called "sadoc" and in Tagalog "salacot." They are made sometimes of nipa leaves and sometimes of anahao leaves. In shape they are round and are protected and strengthened above and below with a fancy weaving of a native vine of dark or brown color, generally called "nito," used also in basket making. The width of the brim is a matter of taste, generally about 20 or more inches in diameter, but sometimes less. A hat of this kind is more commonly used by the people while working on farms or in navigation, but it is often used in towns as a substitute for a parasol or umbrella as a protection against both rain and sun. When the vine nito is not available it is substituted by rattan, or most usually with the hard or outer skin of the strong stem of the plant called "mamban" in Visayan. The whole hat or sadoc is still strengthened with short, thin, and cleaned sticks of bamboo to make the brim harder and stiffer.

Fishing.—Fishing nets are also manufactured here of the cotton spools bought in the chino stores, but sometimes also of hemp fiber. The fishing nets are made in every part of the province, in different shapes and sizes, and are used in connection with barotos or without them, just by throwing them. The latter is always done with the conical-shaped nets called "esparabel." Fishing traps for catching fish are also made of bamboo in almost every case and laid in two or three ways. Small fishing traps of bamboo are made in rectangular shape with square ends and from 5 to 7 feet long, called "bobo" in Visayan and "buitrón" in Spanish. Calbayog and Basey are at the head in fishing traps, then come Guiuan, Catbalogan, Wright, Calbiga, Zumarraga, Villareal, Santa Rita, Balangiga, and others on the north, east, and west coasts. Fish caught in Basey is marketed in Tacloban, province of Leyte, most of it, and often fish caught in Catbalogan and Zumarraga is carried and sold in other towns of the province on the north and east coasts. Fish is also caught by hook, harpoon, and other means.

Tuba.—Tuba is made out of the juice distilled from the fruit stem of the cocoanut, and is produced in every town where cocoanuts grow. Tuba vinegar is made out of bad or sour tuba. Vinegar is also made and obtained from the juice of the fruit or flower stalk of the nipa. This is produced generally in the towns situated on rivers or near them.

NATURAL RESOURCES (FORESTAL, MINERAL, ETC.).

One of the natural resources is the fertility of its soil, which in many cases is still virgin. There are extensive woods in the interior, containing in many cases large quantities of the best timbers of these islands, of all groups. All kinds of wood can be found in the province for all purposes—building, furniture, and fancy works—the only trouble being the remote places where they have to be looked for. Every day people go farther for good and heavy timber. Barotos are also made of different sizes, the widest one-piece boat seen by the writer being one on the east coast, which has an almost 7-foot beam. Minerals are to be found in the province, but mining is not developed at present. Coal mines can be found here, and maybe gold, but no miners have come for some time past. I do not remember of any mining claim heretofore filed.

NONCHRISTIAN TRIBES.

Very few families in the interior can be said to constitute the non-Christian tribes of this province. The 1903 census shows 688 in the whole province, though I doubt whether even that number can be found really non-Christian. More than 90 per cent of the inhabitants of the four settlements heretofore established are Christians, though many of them, on account of their farms being in the interior, do not come so often to the coast towns. The settlement governments as established in this province seem to be successful so far, and no doubt it is found satisfactory not only by the government, but by the inhabitants of those settlements. It should be remembered that a good number of these people dislike the idea of being under the control of some coast towns, on account of the abuses to which they have been subject for a long time past. One of the best guaranties for their own protection and welfare has been the appointment of the lieutenant-governor, ex-officio justice of the peace, as per Act No. 1759. I earnestly recommend that the lieutenant-governor be given ordinary jurisdiction over the present four settlements, and any territory which in the future may be added to it, and special jurisdiction whenever he is requested by the provincial governor as his legal representative to go into any part of the same. He should act as counsel for any inhabitant of any settlement whenever a defendant or accused in any court of justice of the peace, in order to protect him from any abuses, as prescribed by section 1 of said Act No. 1759. Markets or exchanges will be also needed for the benefit and welfare of these people, and I think the insular government should appropriate some money for their construction, as these settlements are at present in want of funds. This is necessary to enable them to obtain reasonable prices for their products.

These settlements at present are in very good condition and the people seem to be happy and contented. They should be provided, however, with a teacher in each settlement, and I think that one native missionary (priest) in each settlement would help the government work a great deal. If no native missionaries are available, Jesuit missionaries will be able to do the work just as well, especially those Jesuits who have been in Mindanao a long time, or those who are able to speak the Samar Visayan.

POLITICAL CONDITIONS.

The general elections, in July and November, 1907, were conducted with much interest on the part of the people and without any disturbances.

Volunteers have been organized as needed by the municipalities of the south, southeast, and southwest, which have within their interior jurisdictions the hiding and roaming places of Otoy, and have made already several expeditions alone and in connection with the constabulary. The municipal officials in these municipalities seem to be very willing to assist the government and the constabulary in the work of running down these last remnants of the pulahans. The municipal spies are doing good work, and the people in general are always willing to assist the government and the constabulary. The efficiency of the

constabulary has been increasing from year to year, and at present they seem to be in closer contact with the people, who look upon them as their good friends.

There was a religious disturbance in two barrios of the municipality of Oquendo in March of this year, which, after due investigation, was found to be merely an abuse of the public credulity for personal interest and gain, and the provincial fiscal, after his investigation ordered the filing of such a complaint as is provided in section 591 of the Penal Code.

PUBLIC HEALTH AND SANITATION.

The general health of the province has been good.

The total number of births was 8,996, and of deaths, 4,111. The annual death rate per 1,000 was 17.175, as compared with 22.26 for 1907, and the annual birth rate per 1,000 was 33.637, as compared with 29.276 of 1907. The number of insane was 32 males, 28 females, and 2 in the jail; and that of blind, 132 males and 60 females.

The following have been the prevailing diseases causing deaths: Fever, variolous, 910; beriberi, 72; whooping cough, 346; dysentery, 141; tuberculosis, 161; convulsions, 207; intestinal diseases, 300; old age, 190.

Of the deaths by ages, over 50 per cent occurred under 1 year, owing in a large measure to the poorly nourished mothers, improper food, insufficient bathing, exclusion of fresh air, and general lack of care and cleanliness in their care and food.

There have been no outbreaks of epidemic diseases during the year, with the exception of 3 cases of smallpox on the east coast in San Julian, but these were immediately isolated, and the persons exposed as well as those living in the vicinity were promptly vaccinated and no further cases developed. About 1,900 vaccinations were performed.

All lepers have been removed to the leper colony at Cullion, except 1 who is segregated in the quarantine hospital at Catbalogan, 1 still at large in the vicinity of Calbiga, 1 man from Palapag, who was allowed to escape from the jail at Laoang by the police in charge, and 1 woman who escaped from the leper hospital here before the same was placed under guard. Diligent search has been made for them, but so far without success.

The cemeteries have been inspected and reports prepared in compliance with Act No. 1458, 33 having been ordered closed and 1 pending decision.

The health of the prisoners confined in the provincial jail has been excellent, and no cases of beriberi have developed therein. A course of instruction in general sanitation and hygiene, and particularly in the prevention of dysentery, tuberculosis, and contagious diseases, has been inaugurated throughout the schools, and promises to prove of much benefit to the people, the teachers being much interested in this branch of their work, while the acting division superintendent has placed the force at the disposal of the district health officer for any assistance they may be able to render, not only at the present time, but in the event of the appearance of any epidemic disease.

A general and systematic vaccination in the province will soon begin and continue until all persons have been vaccinated. A sanitary district under the provisions of Act No. 1613 has been established at Laoang, including Pam-buhan, Palapag, and Catubig, and there are only 4 towns supplied with a municipal physician.

It has been recommended by the district health officer, and I concur, that Calbayog needs one open sewer or canal running through its center; that Pam-buhan can be improved by opening up the swamp land in the south center of that town into the sea and establishing a large fishing trap, which would do away with present conditions and in addition furnish a supply of fish very much needed during the northeast monsoon; and that by the walling up of the south bank of the Catbalogan River above the bridge, which could be done at small expense, the present large swamp area uncovered at low stages of the tide could be remedied, and at the same time the navigation of smaller boats in it at all tides would be possible.

I earnestly recommend, in concurrence with the district health officer, that a district hospital be established at Catbalogan for the district, for which I have no doubt the province of Samar will contribute some funds, if the province of Leyte will give its share and the insular government will furnish the rest, and that said district hospital be at the same time constituted an asylum for the district.

RECOMMENDATIONS.

Telegraphs and telephones.—I respectfully recommend that either telephone or telegraph lines, preferably the latter, be established from the municipality of Wright to those of Calbiga, Villareal, Santa Rita, and Basey; also from Basey to Balangiga and Guluan; and from Borongan to Llorente. Guluan and Basey need operators, and if possible there should be one in each of those towns. At the present time, on account of the lack of roads, these lines are very much needed for rapid communication, and I think that they will pay, especially the stations at Guluan and Basey. Mail carriers are also badly needed between many of the towns of the province, in order to enable the people to have a regular mail service once or twice a week, if possible.

Roads.—The provincial board is contemplating to propose, with the concurrence of the district engineer, three special road projects, one on the west, one on the east, and the other on the north coasts. The province intends to spend its road and bridge fund on these projects, but badly wants the assistance of the insular government funds for use on these roads, which are really road sections, part of a permanent road system, that is very badly needed. The province will have about ₱125,000 in the road fund, but if we can secure ₱75,000 for these projects the province will be able to build three good road sections this year. The construction of reenforced concrete bridges and culverts is the most costly part of this work. The province also intends to adopt the double cedula next year, with which it is believed it will be able to continue the construction of these roads, besides their maintenance and repair.

Provincial building.—The provincial board expects to be able to have some general funds available by the end of this calendar year or at the beginning of the year 1909, probably ₱40,000 or ₱50,000, which it intends to appropriate for the construction of a substantial provincial building. It is the desire of the board to build it of reenforced concrete, but without the help and assistance of the insular government it is thought the above amount will be insufficient; but in case the province secures from the insular government a similar amount, there is no doubt that such a building will be constructed as soon as possible, as the province has been in need of it since the establishment of the civil government therein, about six years ago.

Agriculture.—The best remedy for agricultural conditions in this province is, in the first place, the conservation of the small number of large cattle, especially carabaos, which are the animal labor of the farmers. For this purpose, in view of the large area of the province and the islands under its jurisdiction, at least two veterinarians are needed as soon as possible, for the purpose of examining cattle, isolating the sick from those noninfected, inoculating with antirinderpest serum, and to give the people simple instructions needed for the ordinary care of their cattle. The people should also be given some information as to the symptoms of the most common diseases of the large cattle in these islands.

The agricultural bank is very much needed, and a branch office should be established at Catbalogan.

Public improvements.—The municipalities of the province are eager to spend their funds in as many public improvements as their financial conditions permit, especially in the building of central and barrio schools and of municipal buildings. There should be at least two or three surveyors from the bureau of lands, who are needed here all the time and will be kept busy by the people and the municipalities for quite a good while. Many people are asking when these surveyors will come, and several municipalities have asked the same question. These surveyors are necessary as soon as practicable, as there are many municipalities that have already made appropriations for public improvements but can not undertake them on account of the auditor's circular that no payment of more than ₱250 for public and permanent improvement will be allowed without having first obtained the registration of their title in the court of land registration. There are amounts appropriated already for surveys, but the trouble is that we lack surveyors; in fact, there is none who have the qualifications prescribed by Act No. 1875 now in this province. The surveys of the school sites are the most needed at present.

Schools.—This province should have at least 30 American teachers, in view of the 43 municipalities it had in 1903 and the large area of the same. If this number of teachers is obtained, the work of the schools can be improved throughout the province very rapidly. If it can secure from the insular government the ₱15,000 promised by the secretary of public instruction to Governor

Curry in 1906 or 1907, as I have already stated, I respectfully recommend that bids be invited as soon as possible for the construction of the provincial high school here at a cost of ₱25,000, and of the arts and trades school here at a cost of ₱18,500, the province to furnish sand and gravel. I also recommended the establishment of intermediate schools at Calbayog, Guiuan, Borongan, Basey, Laoang, and Catarman, an agricultural school at Gandara, and intermediate arts and trades schools at Calbayog and Borongan.

In the classes of the high school at Catbalogan, I recommend that the municipal and provincial code be taught in connection with civil government, also telegraphy, stenography, housekeeping, nursing, and embroidery work.

Provincial jail.—The term of one year for provincial prisoners seems to be a short one, if the allowance for good conduct is considered, and I think the provincial prisoners should be, as before, those serving sentence of from two years less one day down, so as to enable the province to have a sufficient number of sentenced prisoners for public works. It is desired to establish a workshop in the jail for the instruction of the prisoners, but for this work 1 carpenter, 1 mason, and 1 blacksmith, each to be a good expert or master in his line, from the Bilibid prison, are needed to start the work.

Very respectfully submitted.

MÁXIMO J. CINCO,
Governor of the Province of Samar.

The GOVERNOR GENERAL.

REPORT OF THE GOVERNOR OF SORSOGON.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF SORSOGON,
Sorsogon, July 27, 1908.

SIR: I have the honor to submit herewith my annual report for the fiscal year ended June 30, 1908.

GENERAL CONDITIONS.

Public order has never been better preserved in the province of Sorsogon than during the last few years. Fortunately, there has not been any band of robbers or fanatics, nor have great crimes been committed. This is due to the eminently peaceable character of the inhabitants, in whose hearts are deeply rooted respect for and submission to the present government, which rules the destinies of this country to the approbation of all. This assertion is corroborated by the fact that the largest of the municipalities has only 8 policemen, unarmed, and a company of constabulary stationed at the capital. In the subprovince of Masbate, although the distances are great and communication difficult between the municipalities, owing to the lack of wagon roads, and although the company of constabulary stationed in that region was transferred to Samar a few months ago, public order is also preserved.

The electoral campaigns, provincial as well as municipal, have been rather hotly contested, but it is a source of satisfaction to know that since the election all are ready to aid those elected.

Fortunately, caciquism does not thrive in this province. It is true that in some municipalities there are persons who have exercised control over public opinion, but I believe that they have not abused this influence, nor have they done what they desired except where it was for the benefit of the community.

Generally speaking, the people are living contentedly and are satisfied, thanks to the present system of government; justice is administered impartially and to all alike; their rights have not been violated by the directing class, and many of the inhabitants who had no land to cultivate have taken advantage of the homestead provision. The directing class is made up generally of intelligent persons who are in comfortable circumstances and in favor of peace, progress, and the education of their children.

The municipalities are very well managed, except a few of the subprovince of Masbate, where it is difficult to find persons competent and apt for positions of responsibility, though the present officers have always endeavored to perform their official duties to the best of their ability and are very anxious to

become familiar with the present system of government. In general, they all have shown a more or less perfect knowledge of the municipal code and its amendments, and have always been very much interested in the public welfare.

The municipal police, whose services were not very efficient on account of their lack of discipline and knowledge of the municipal ordinances (for which reason I placed them under the control of the commanding officer of the constabulary of this province), have, in spite of it all, rendered valuable services in some municipalities. The municipal presidents have constituted the police inspectors of public works carried on at the expense of the municipalities.

True harmony prevails between all the officers, provincial as well as municipal, and the people governed by them. All mutually aid each other.

AGRICULTURE.

Sorsogon is eminently an abaca-growing province, and although there are other products abaca remains its principal source of wealth. Owing to the typhoon in 1905, which destroyed all the abaca plantations, and to the drought of previous years, which resulted in the burning of many estates, the province has passed through an unprecedented crisis. Thanks to their constant efforts, property owners have succeeded in improving their plantations, though not to their satisfaction, and in another two years—unless new contingencies should arise—the province will be as prosperous as before and the production of abaca will have returned to its normal condition. Notwithstanding this improvement in the abaca estates, the foreign firms established here have refused credit to the property owners and are monopolizing the abaca and rice trade. The inferior grade of abaca formerly sold for from ₱8 or ₱9 a picul, but a time came when only ₱4.50 a picul was paid. The crisis continues, notwithstanding the almost flourishing condition of its agriculture, because of the low price of abaca. In order to remedy this state of affairs and to counteract the monopoly under which the abaca growers are suffering, it is of urgent necessity that facilities be provided for deeding the lands, and that an agricultural bank be established to relieve the property owners from the economic slavery from which they are suffering.

Rice and cattle.—The production of rice was rather small because the people here devote all their attention to the cultivation of abaca; because the area of land suitable for its cultivation is comparatively very small, and because of the primitive means employed and the lack of agricultural implements. The rinderpest was also a cause of the decrease in the production of this cereal, as it killed 95 per cent of the work cattle of this province, which has, not including the subprovince of Masbate, only 500 carabaos, 250 head of neat cattle, and 120 horses.

The following table shows the production of rice during this fiscal year and the number of cattle in the entire province:

	Cavans of rice.	Carabaos.	Neat cattle.	Horses.
Sorsogon.....	62,134	500	250	120
Masbate.....	.....	4,048	2,831	2,499
Total.....	62,134	4,548	3,081	2,619

Rice is produced on such a small scale in the subprovince of Masbate that it is not taken into consideration, and the inhabitants subsist on rice imported from China and on corn, which they grow in abundance.

Copra.—Copra is produced in Sorsogon as well as in Masbate, though with greater abundance in the latter.

The inhabitants of Masbate have lost hope of ever replacing the cattle they formerly owned, owing to the constant appearance of rinderpest. They therefore devote their attention to the planting of the cocoanut, which will in the future be the principal wealth of this region.

Cocoanut trees in Sorsogon: No data. In Masbate: Now producing, 282,434; still unproductive, 339,204; two municipalities are not included from lack of data.

Aside from the products above mentioned there are others, although on a very small scale, such as cane sugar, buri, maize, cord wood, and lumber. The latter product is one of the principal resources of the island of Masbate.

INDUSTRY.

Manufacturing in this province is in a rudimentary state owing to the lack of machinery. Abaca, which is almost the only source of wealth, is prepared for the market under the old system, as the stripping machines recently invented do not meet the requirements of the property owners. The fishing industry is the most important and constitutes the livelihood of many persons living on the coasts.

The following table shows the revenues which the fishery brings to the municipalities.^a

Aside from this industry there are others of less importance, such as the weaving of cloths of abaca, pineapple fibers, etc., but in very insignificant quantities, as regarding textiles Sorsogon is tributary to Iloilo and Albay. The manufacture of mats and sacks of matting does not offer any promises for the future, as the present output is barely sufficient to satisfy the demands of the commercial houses that use it for packing abaca.

FACTORIES.

No fiber-cleaning machine, rice-hulling machine, or oil mill for the extraction of oil from copra is known to exist in the entire province.

NATURAL RESOURCES.

Timber of several classes abounds in the pueblos of Prieto-Diaz, Irocin, Matnog, Bulan, and Castilla, and principally in nearly all of the municipalities of Masbate. On account of the lack of animals, and of the great difficulties experienced in lumbering, due to the fact that good timber is a considerable distance from the towns and ports, it can be said that here in Sorsogon nobody is engaged in this business except persons cutting timber for the construction of their own dwellings.

This is not the case in the subprovince of Masbate, where lumber constitutes the principal source of wealth. According to data in my possession there have been exported from that island, during the present year, 1,365,396 cubic feet of lumber of various kinds.

Some months ago one Rodriguez established a large sawmill at San Fernando, on the island of Ticao. It is believed that the exploitation of this product will be greater during the ensuing year.

MINES.

The lieutenant-governor of Masbate, in speaking of the mines, says the following:

"All the mining companies located in the municipality of Aroroy, in this subprovince, have ceased working after having expended hundreds of thousands of pesos each: We have seen a few mining claims in this district, and it has caused us pity to see all that machinery and those mills in a perfect state of preservation, but completely paralyzed by lack of capital. Of the machinery and mills which we have seen, the plant of the Eastern Gold Bug Mining Company deserves special mention and we should have liked to see it working in order to appreciate the scope of these great mining enterprises. We are told that this machinery cost some ₱60,000, with all the expense occasioned by it. Other companies have expended the following sums in the exploitation and purchase of dredges and machinery:

"For dredges and machinery.

Oriental and Masbate Gold Mining Company.....	₱75,000
Philippine Gold Mining Company.....	75,000

"For quartz mills.

Mount Cogrant Mining Company.....	15,000
Eastern Gold Bug Mining Company.....	17,000
Eastern Mining Company.....	8,000
Philippine Gold Mining, Power and Development Company.....	6,000

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

"Development and exploitation.

Eastern Gold Mining Company.....	₱40, 000
Eastern Gold Bug Mining Company.....	8, 000
Mount Cogrant Mining Company.....	8, 000
Jo Jo Mining Company.....	2, 000
Even Up Mining Company.....	2, 000

"The Philippine Gold Mining Company failed after having operated for one year and a half, at an expense of ₱27,000; likewise the Oriental and Masbate Company, which expended ₱18,000 during nine months of existence. With regard to the output of these companies, we have information only about the Oriental and Masbate Gold Mining Company, which obtained ₱2,300 worth of mineral and had a wagon road worth ₱2,000 built by the miners. The best developed mining claims are doubtless those of the Eastern Mining Company; the second place is occupied by the Eastern Gold Bug Mining Company, which has a complete mill and set of machinery.

"We have also been informed that the financial crisis in the United States has been the cause of the present condition of the companies mentioned.

"There is another mine in the district of Milagros, in the south of this province, for the extraction of gold, silver, copper, and other minerals. This mine is working now and shafts are being sunk which reach a depth of 125 feet. It appears that it offers good prospects to its owners and that they are waiting for machinery to take up the work of its development."

Although there are no registered mining claims in Sorsogon, it is believed that abandoned coal mines exist at Gathó, a barrio of the municipality of Bacon, it being positively known that during the Spanish régime a great quantity of that mineral was taken from them.

NONCHRISTIAN TRIBES.

When the census of 1903 was taken, the members of non-Christian tribes in this province were enumerated at 41. These persons are living on a plain in the hills between Bacon and Prieto-Diaz. In May of this year I visited this settlement in person and saw there 14 huts and a total population of 105 persons, including women, and children of both sexes. The majority of them scarcely differ from the Filipinos in color, some of them being half-castes between Filipinos and Negritos, and 3 are Negritos of pure blood. They are of low stature and their hair is very black and kinky. They all live very poorly, subsisting on rice, tubers, fish, and meat of wild hogs and deer. They are of a very peaceable disposition and submissive and respectful to the authorities. They do not flee from society, but constantly frequent the neighboring pueblos and barrios to sell the abaca which they grow, and to buy their necessities of life.

During my stay in those hills I organized a municipal government *sui generis*, after having explained to them the altruistic ends sought here by the American Government.

Finding that none of them could read or write, I appointed a person to take charge of their instruction.

COMMERCE.

Importation and exportation are in the hands of the Spaniards and Chinese, and only one Filipino firm is engaged therein. In view of the economic crisis through which we have passed and which still continues, the majority of the property owners have contracted heavy debts with the Spanish commercial houses, who impose on them in an iniquitous manner, making their situation worse and worse. With large capital at their command, they find it easy to make the other merchants respect them, and the Filipinos find that it is impossible for them to sustain competition. In view of this anomalous situation the property owners deliver themselves into their hands unconditionally, accepting any price and tolerating the arbitrary classification of the abaca.

As a result of the effect of the law of weights and measures, which condemned the scales that gave to those houses a gain of 8 per cent on every arroba of abaca, they have established a discount of 2½ arroba on every 100 arrobas of abaca bought from the property owners, on the ground that the abaca is constantly drying.

The following data show the exports and imports during the year: *

* Omitted and filed in the Bureau of Insular Affairs, War Department.

IMPROVEMENTS PAID FOR BY THE MUNICIPALITIES.

All of the municipalities have given preferential attention to the repairing of the streets in the towns and the roads leading to the several barrios.

The erection of several schoolhouses and the improvement of municipal buildings have also been undertaken. Special mention must be made of the municipal buildings of Gubat, Juban, Casiguran, Barcelona, and Magallanes, all of solid construction, as they contain spacious rooms for the several offices of the municipal government and their sanitary condition is good. The same is the case with the municipal buildings of Sorsogon, Irocin, Matnog, Donsol, and Masbate, though they are constructed of mixed materials.

The following is a statement showing the general funds in the several municipalities on January 1 of the present year:^a

PUBLIC WORKS.

A concrete bridge on the Casiguran-Juban wagon road, for which ₱2,000 were appropriated, was completed in June of this year; work on the wagon road from Irocin to the barrio of Monbon, for which ₱12,000 were appropriated, is being carried on, and that on the wagon road from Sorsogon to Bacon, for which ₱14,000 were appropriated, is much advanced. When completed, these roads will compare favorably with the best in the Philippine Islands. Other improvements are being taken up as the province acquires funds for the purpose. A bridge of iron and cement will soon be built between Bulan and Irocin, the provincial board having appropriated ₱6,000 therefor.

The following is a detailed statement of the road and bridge funds and of the expenditures made during the year:^a

In the entire province there are approximately 255½ kilometers of wagon roads, 98 kilometers of which are in a satisfactory condition, as very good iron bridges have been constructed and large sums expended in their repair. The remainder can not be called wagon roads, as they have been abandoned, and not a centavo has been spent on them since the establishment of civil government, owing to their unimportance and to the fact that communication is more rapid by sea and offers less trouble and hardship.

In the subprovince there are no wagon roads, properly speaking; there are only trails from one municipality to the other, and it is often preferable to go along the seashore. The only communication is by sea, most of the pueblos being situate on the coasts of the island.

FINANCIAL CONDITION.

During the last months of the year the province passed through a great economic crisis, due to large previous expenditures.

When I was inaugurated as governor, on March 2, 1908, the province had a debt of ₱113,363.74; which on June 30 of this year amounted to only ₱26,142.38, and I believe that we shall be able to pay it off next year.

The following is a statement of the general funds of the province on June 30, 1908:^a

PUBLIC INSTRUCTION.

Public instruction has always been the object of preferential attention on the part of all the inhabitants of this province. Nearly all the municipalities have been transferring a part of their general funds to the school funds, in order to enable them to pay the salaries of the municipal teachers. A grand building for the provincial school, the cost of which until March 2 of this year was approximately ₱117,000, is being constructed in this capital. This sum does not include the value of the lumber which, in addition to ₱16,000 in cash, was donated by the several municipalities.

Unfortunately this grand work is not yet completed, owing to the lack of funds, and because the insular government has refused to grant to this province a loan of ₱35,000, which is necessary for its completion.

The permission granted by the governor-general to the several municipalities to request and receive voluntary contributions for school purposes is another patent proof of the desire of the inhabitants for instruction. At present there are two schoolhouses of solid construction, the work on which will soon be

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

completed, situate at Barcelona and Bulusan, respectively. A schoolhouse of mixed materials was opened in the town of Pilar in June of this year, its entire cost having been raised by popular subscription.

The total enrollment of pupils of both sexes in the entire province is 7,261 in the primary schools, and 304 in the intermediate.

The following table shows the budgets made by the province and municipalities on January 1, 1908, for the maintenance of schools: *

ADMINISTRATION OF JUSTICE.

From January 1 to November 30, 1907, the following cases were pending in court in Sorsogon, exclusive of Masbate: *

PUBLIC HEALTH AND SANITATION.

Public health has been satisfactory, no epidemic diseases having occurred.

It is true that on August 9, 1907, cholera made its appearance at Mandaon (Masbate), but its effects were not disastrous, because, thanks to the energetic measures adopted by the health officer and the efficient aid rendered by the secretary of the interior, the evil did not assume alarming proportions, and lasted only forty-six days. Its cause seems to have been the tuber known here as camoting cahoy, on which the inhabitants of that region subsisted at that time.

The following table shows the births, deaths, and vaccinations from January to December, 1907: *

The most common diseases causing the most deaths were intermittent fever, pulmonary tuberculosis, convulsions, and convulsions in infants.

In nearly all the municipalities there are municipal boards of health whose services have left something to be desired. In the municipalities of Gubat, Casiguran, Juban, and Bulan these boards are presided over by physicians and I am of the opinion that these local boards of health should be reorganized and their duties clearly defined, especially those of the presidents thereof.

RECOMMENDATIONS.

1. On May 28, 1908, the provincial board passed a resolution accepting Act No. 1815 and resolving to appropriate annually from the general funds ₱3,205.03, representing one-tenth of the present indebtedness of the province to the insular government, to be set aside for the construction of wagon roads and bridges or for the continuation of the work on the provincial school, in the discretion of the board.

If the insular government would grant to this province a loan of ₱32,050.30 to complete at once the work on the provincial school, the ₱3,205.03, instead of being spent on public works of this province, would go to pay off the loan to the insular treasury. I believe that such action would redound greatly to the benefit of the province and would not involve any sacrifice on the part of the insular government, as the latter has in its coffers large unappropriated funds and the reimbursement of the loan is well guaranteed.

2. To transfer, by means of special legislation, the present road and bridge funds of the subprovince of Masbate to the special school funds of the same to enable that subprovince to proceed as soon as possible to the erection of a provincial school, which is still but a project owing to the lack of funds.

This measure is recommended in view of the fact that in the subprovince mentioned there are no wagon roads aside from those from Masbate to Mobo and from San Jacinto to San Fernando, both of little importance, as the sea offers greater facilities and advantages to commerce as well as agriculture. Another reason of great weight in my estimation is that if the funds mentioned are expended for the purpose for which they were created, only 4 municipalities will be benefited, while on the other hand, if they are used for the purpose here proposed, the benefit will be general and extend to the 13 municipalities of the subprovince. Moreover, these municipalities have all alike paid the double cedula tax and have contributed their share to those funds, and it is therefore just that they should equally enjoy the benefits.

3. Communication between Sorsogon and Masbate is very difficult and costly because of the lack of a launch for the use of the officers of the provincial government. For this reason the inspections of the pueblos by the provincial authorities are not made with the frequency desired.

* Omitted and filed in the Bureau of Insular Affairs, War Department.

I deem it necessary for the greater efficiency of the service that the insular government loan a launch to this province, the expense of both crew and fuel to be paid out of the provincial treasury.

4. Considering the fact that the mail from the islands of Ticao and Burias is received in this office after several months delay, the provincial board, at a session held on April 23, 1908, resolved that an annual subsidy of ₱3,000 be paid from insular funds to a steam launch making fortnightly trips to the islands of Burias and Ticao, in order to facilitate the prompt dispatch of the public business.

5. The present telephone line, maintained by the bureau of posts, which connects this capital with the municipalities of Gubat, Castilla, Pilar and Donsol, should be extended to other municipalities, or telegraph stations should be established in the municipalities of Bulan, Irocin, Gubat and Donsol, in accordance with the resolution adopted by this board on May 1 of this year.

Respectfully submitted.

MARIO GUARINA,

Governor of the Province of Sorsogon.

The GOVERNOR-GENERAL.

Report of the Lieutenant-Governor of Masbate, Province of Sorsogon.

[Translation.]

OFFICE OF THE LIEUTENANT-GOVERNOR,
SUBPROVINCE OF MASBATE, SORSOGON,
Masbate, July 7, 1908.

SIR: I have the honor to submit for your consideration the annual report of this subprovince for the fiscal year ended June 30, 1908.

AGRICULTURE.

Speaking in general terms, agriculture in this region, aside from it being impossible to consider it a fact, differs from that of other provinces. Eminentely a stock-raising country because of the large area of its pasture lands covered with pure cogon, occupying more than half of its superficial area, the part that remains for agriculture does not offer to farmers great possibilities of production. In the greater part of these agricultural lands pure clay largely predominates, which, cutting off a large quantity of water, is the reason why the products of greater yield, such as coffee and cacao, and lately abaca, never were a success for the poor farmer, who for this reason finds himself obliged to abandon his land and to give up his work after having expended his strength and perhaps the savings of many years. The want of capital is another cause why farming here continues in an embryonic state. These farmers five years ago devoted themselves to the cultivation of abaca, which they undertook with great enthusiasm; but scarcely had the plants reached half their growth when the crops began to wither day by day, owing to a short drought that immediately followed the planting. They did not become discouraged at this, and with even greater enthusiasm again planted new abaca seeds, but time finally convinced them, and they were forced to the conviction that all persistent effort to plant abaca in Masbate was useless. There are, nevertheless, plantations of abaca in some of the municipalities of the east and north of this province which yield fairly well, but which by no means furnish a living for the inhabitants of a municipality.

Cocoanuts.—With the same enthusiasm with which they planted abaca, which resulted in complete failure due only to the quality and conditions of these lands unsuited for this class of products, these farmers decided upon the planting of cocoanuts, which, though later in yielding, are surer and require less care. While they planted the seed of this tree, they improved their coconut groves already in production, and many of them through necessity and others to take advantage of the high prices of copra, gathered out of season the yet unripe fruit, producing by this method a copra of inferior quality and consequently of a relatively low price. This necessity was forced upon them and the method adopted, fortunately not widely extended, was justifiable to a certain extent in view of the fact that aside from this product Masbate to-day has no other resources for the sustenance of its inhabitants. Before the appearance of the rinderpest this province had many thousands of these trees, although very few were looked after carefully, but after this plague, which made Masbate a

province of the fourth class and finally a subprovince, all understood the necessity of tilling their lands and began then to plant more cocoanuts, though not on a large scale, as in the last two years. The following table shows the total number of cocoanut trees in the subprovince, by municipalities, those already yielding and those not yet bearing, which were planted from two to three years ago.^a

Rice.—Nearly all the municipalities produce this grain, and with rare exceptions keep the crop for their own use, which lasts them for a year or more.

Maguey.—The trial sowings of this plant are offering great hopes to the municipalities of Milagros, Placer, and Cataingan, where there are long coasts of sandy land suitable therefor. Some agriculturists of the first-named municipality have already harvested a few arrobas, and the residents of Pilar continue to order seed from Manila, proving that maguey develops well on their lands.

The island of Ticao produces much abaca and copra, which is sold here, as there appears to be in the two municipalities of this island a tacit agreement among the buyers or foreign merchants to buy the abaca at an excessively low price and to sell in exchange rice and other articles of first necessity at a very high price.

INDUSTRY.

The largest industry of this island is fishing, because of its large gulfs and safe ports, where the small fishing craft find a good refuge. The fish weirs, drag-net boats, and other means employed for fishing, although they do not render large profits, have always been subjects of interest to these pueblos which traffic in the products obtained thereby with the ports nearest this island.

The textile industry can not be considered one on which the living of the inhabitants depends. The 7,501 looms distributed in the municipalities produce an average of 128 pieces of pifa or abaca cloth each month, which is scarcely enough for the use of one family. It is doubtless due to the want of purchasers that the weaving industry in this province can not attain the development that is to be desired, and the same may be said as to the manufacture of hats of buri and of nito. The manufacture of bayones prevails only in the municipality of San Pascual, island of Burlas, owing to the abundance of buri trees, for which the island was named.

COMMERCE.

It may be said that the commerce of this subprovince is monopolized by Chinese merchants, who import from Manila general merchandise, rice being the principal article of importation and the indispensable cargo of all steamers that call at this port. The exports consist of copra, abaca, rajas (firewood), and rattan. The lumber business being paralyzed by the low price of lumber in the Manila market, there remain but a few concessionaries for the cutting of timber in this locality, and it is feared that this paralyzation will become permanent on account of the present crisis. The following is a table of the imports and exports, by municipalities, according to the data acquired from the same.^a

The product of largest importation is rice, which during the fiscal year reached 37,236 sacks or piculs, valued at ₱237,034 at the local price of ₱6.50 per cavan or picul. The cavans consumed by the municipalities of San Fernando and Mandaon, which have not as yet sent the requested data, are not included in the table. The articles of exportation, which appear exorbitant considering the present condition of the subprovince, are in proportion to the number of cattle exported to the different provinces and especially to that of Luzon. Copra also has greatly increased the exportation of the fiscal year. Its price in this locality at the present time is quite high. The municipality of Mobo, the smallest in the matter of exports, exported last year many cubic feet of timber and much firewood.

LIVE STOCK.

The following table shows 9,888 head of live stock in the subprovince as distributed among the municipalities.^a

To this number must be added that of those exported during the last two years to the different provinces of the archipelago, consisting of 418 head of

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

carabaos, 98 head of neat cattle, and 114 horses, the first at a price of ₱120, more or less, per head; the cattle at ₱60, and the horses at from ₱40 to ₱70.

The mortality among the cattle of the municipality of San Jacinto in October of last year, and in San Fernando at the beginning of this year, was caused by the rinderpest, which was skillfully and opportunely fought by the veterinarians, sent by the animal division of the department of agriculture. The largest stock raiser of this municipality says that the salvation of all his stock was due to the skillful inoculation performed by those veterinarians. The rinderpest, nevertheless, carried off 130 head of horses and more than 80 head of cattle. The same cattle disease as that of San Jacinto appeared also in San Fernando last March, but owing to the wise measures of its municipal president and council, did not produce the disastrous results which were expected at the beginning.

ECONOMIC CONDITIONS.

The following is a report from the provincial treasurer of Sorsogon relative to the revenues and expenditures of this subprovince:^a

Economic condition of the municipalities.—Completely without means, the funds collected by the municipal treasuries are scarcely sufficient to cover their most necessary obligations, from which it is to be deduced that all the revenues obtained by them are solely expended in the payment of personal obligations or of the salaries of their municipal employees, who, very often, have to wait two or three months without salary, because of the lack of funds with which to pay them. Each municipality is looking for means of creating new taxes for the purpose of collecting more funds into the treasury to undertake public works and other municipal improvements, but find that such funds can not be obtained otherwise than under the provisions established by the laws and orders in force. The reduction of the salaries of employees would indeed be inexpedient, for those received now are too small. The financial condition of this subprovince is not flattering, and if it succeeds in supporting itself, it will be because it has practiced great economy in its personnel and work.

EDUCATION.

The head teacher of this subdivision reports as follows in regard to this matter:

General statement.—The subdivision of Masbate has been handicapped this year by not having had supervising teachers. It is impossible for the head teacher to supervise such a large district and both central and barrio schools have shown poor results because of this lack of supervision. If the same condition exists next year, it were better to close all schools in places where the municipality is not able to pay salaries of good teachers who are capable of carrying on the school work without direct supervision.

"The decrease in the amount of school funds has kept the salaries of the municipal teachers low and has limited the number of schools. However, every municipality has been able to pay all teachers and will be able to start the new year with a small amount of money on hand.

"In several of the more distant municipalities it has been almost impossible to secure capable teachers owing to the fact that there have been no pupils from these places in the provincial school. Provincial school pupils from other municipalities will not go to these places for the salaries paid. This results in a very poor class of teachers in certain municipalities. The school work in these municipalities will continue to be of little value until such time as the municipalities are able to pay salaries sufficient to induce good teachers to come from other places or until teachers from these municipalities are trained for the work.

"The subprovince of Masbate has been and still is in rather a peculiar industrial condition. Before 1899 everybody depended either directly or indirectly upon cattle raising for their living. In that year practically all the cattle were killed by the rinderpest and the people were left without means of subsistence and without a vocation. They are just beginning to learn to work. The country is rich in natural resources and the people need only to apply themselves to live in plenty. More work is being done each year and the people are gradually learning that Masbate soil is worth working. With these people the changing of their province from a cattle-raising country to an agri-

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

cultural country requires some time and some instruction. The Masbate provincial school has in past years assisted very materially in this instruction and an effort has been made to extend this influence to all the schools. The subprovince of Masbate has no objection to make regarding its treatment by the department of education—rather should be thankful for favors received. However, in view of the poverty and ignorance of the people, the peculiar industrial condition existing, and the possibilities of the islands when the people are taught to take advantage of what nature has so abundantly given them, I feel justified in asking not only a continuance of insular assistance, but an increase in favors granted us by the insular government.

"The intermediate school at Masbate.—This school, organized as the Masbate provincial school, has had a very successful year, notwithstanding the serious handicap placed upon it by the shortage in teaching force. With only one American and one Filipino teacher the first half year and two American and one Filipino teachers the second half year, the school has turned out 13 graduates and a very satisfactory number of the pupils in the other grades have passed their examinations. But to do this all attention was given to regular academic work and everything else was entirely neglected.

"After more than three years hard, earnest work in shop, farm, and garden, our industrial teacher was taken away and all interest in the work allowed to die an unnatural death. This is to Masbate the most important branch of school work. Agriculture forms absolutely her only chance of ever becoming self-supporting. I think I may safely say that last year we had the people of the subprovince interested in the shop and farm of the provincial school. We were the direct cause of an increased interest in agriculture and the improvement of agricultural methods. Such influence of the provincial school or of any of the schools has not been felt this year. The several acres of land that the school had under cultivation is covered with grass, several thousand pesos' worth of tools have lain idle for more than a year and pupils and people have nearly forgotten the instruction given. Masbate needs, deserves, and should have one of the very best industrial teachers that the department can furnish."

"Attitude of officials and people.—Officials and people of Masbate have always been interested in school work and with the exception of the town of San Jacinto the schools have been reasonably well supported and the attendance has been good.

"The town of Mobo, although one of the poorest and smallest in the subprovince, deserves especial commendation for its support of the public schools. The people have built their own schoolhouses and more than one-eleventh of the total population is in school.

"Recommendations.—On account of the evident needs of the people, the start made in the provincial school in agricultural and industrial work should be continued and the school should be given an industrial teacher.

"I would like to see the work on the new building begun as soon as possible. To this end I would recommend that the provincial board be asked to appropriate ₱3,500 of the funds of the subprovince for this purpose.

"Supervising teachers should be given us for the Districts IV and V.

"Respectfully submitted.

"GEO. W. MOORE, *Head Teacher.*"

PUBLIC HEALTH.

Public health has always been excellent at all periods of the year, and owing, without doubt, to its climatic conditions, the province of Masbate very seldom records in its mortuary statistics deaths from epidemic diseases and others of a serious nature. It has been some time since the subprovince has had any municipal or provincial physician and, lightly speaking, we have but little need for one, though, true enough, we can not employ one as we can not afford to do so. The cholera which appeared in the municipality of Mandaon was localized in that municipality. It is believed that it was caused by the lack of grain at that time, as its residents ate of certain tubers which brought on the epidemic in that district.

In Pulanduta an epidemic of smallpox recently occurred, but of such a benign character that it immediately diminished in effect on the fall of the first May rains, which refreshed the aridity of those sandy coasts.

* A detailed table showing enrollment and attendance at all schools has been omitted and filed in the Bureau of Insular Affairs, War Department.

POLITICAL CONDITIONS.

General tranquillity prevails throughout all the subprovince, rightly called peaceable because of the mode of life of its inhabitants, who are possessed of a quiet and submissive disposition toward all things that affect the good government of their respective pueblos. During the investigations that I made in some of the municipalities it was seen that the majority of the disputes that arise between municipal employees and private parties always originated from the intermeddling of some outsiders from the neighboring islands of the Visayas or from Luzon, who visit these remote municipalities either with the intention of settling there or simply pass through, not, however, before first humbugging those simple-minded inhabitants with their raw notions, inciting passions and originating animosities.

One of the reasons why these municipalities are not visited as frequently as they ought to be is the considerable distance that separates them from this capital as well as from one another. If the subprovince had at least fairly good roads these distances could be traversed with relative ease. To the lack of good roads add the circumstance that during the rainy season it is dangerous, if not impossible, to travel by the roads that become mud beds and so completely slippery that the traveler is in real danger. The province has no boat of its own, and in urgent cases high freight charges must be paid for boats belonging to private parties.

It is very true that in these municipalities very often questions arise of so trivial a nature that a trip to them is not worth while, but there are cases where the timely presence of the head authority is, or might be, a guaranty of public order, yet with the scanty facilities of transportation this remedy could never be made effective.

MUNICIPAL ADMINISTRATION.

The procedure followed in the administrative advancement of the respective municipalities is entirely satisfactory. With the exception of one or two officials the municipal presidents chosen at the last election form, for the subprovince, a contingent of persons competent for the positions in which they have been placed by the suffrage of the inhabitants.

Performing, as they all do, their respective duties, they adjust their conduct to the sphere of those duties, and thus earn the approbation of the entire community. The investigation made last November in the case of the charges brought against the president of Placer for abuse of power and other offenses resulted in their not being substantiated, said charges having had their origin in entanglements on the part of private persons. The other investigation of the conduct of the municipal president of San Fernando showed, unfortunately, the charges to be true, but the provincial board reinstated the president and other defendants, after they had heard the evidence presented. The character of these pueblos and the condition of their inhabitants make the administrative action of their officials glide over slight and uncomplicated points by causing their procedure to rest upon the existing provisions and laws promulgated to date.

ELECTIONS.

The elections for the office of delegate and for the municipal and provincial offices were conducted with the most perfect order. In the case of the first, there was but slight contest, while in that of the last, although there was a real struggle, the inhabitants were seen to conduct themselves like cultured citizens.

Respectfully submitted.

ISABELO BURDEOS,

Lieutenant-Governor, Subprovince of Masbate, Sorsogon.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF SURIGAO.

[Translation.]

OFFICE OF THE PROVINCIAL GOVERNOR, PROVINCE OF SURIGAO,
Surigao, Mindanao, July 1, 1908.

SIR: I have the honor to submit herewith my report for the fiscal year ended June 30, 1908.

GENERAL CONDITIONS.

Act No. 1893 of the Philippine Commission, creating the new province of Agusan, has taken away from the province of Surigao more than one-third of its territory; that is, all that area which now comprises the subprovince of Butuan, of the said new province, in which are the municipalities of Cabadbaran, Butuan, and Talacogon with all their barrios and settlements and a few barrios of the municipality of Langa, with a population of 19,970 civilized Christians, according to the census of 1903, and the greater part of the pagans or members of non-Christian tribes who live in scattered groups throughout the district of the old province of Surigao, the area and population of which have been diminished, and the number of its municipalities reduced from 12 to 9; to wit, Cantilan, Dapa, Dinagat, Gigaquit, Hinatuan, Langa, Placer, Surigao, and Tandag.

Aside from this, which may well be considered a detriment to the general interests of the province, progress has been noted in everything else; enviable peace and tranquillity prevail, there being no record of any political or religious disorder whatever; an increase of population by immigration from the island of Bohol and from other Visayan provinces; an increase of work animals, with which there has again been put under cultivation a large part of the fields abandoned since the rinderpest and other diseases made their disastrous effects felt therein; extensive forests, until a short while ago impassable and uncultivated, converted into abaca and cocoanut plantations, notwithstanding the noticeable decrease of price in the market of the articles made therefrom; and, above all, an application and constancy in labor on the part of the residents, who endeavor not only to avoid hunger, but to remedy in so far as possible the scarcity of money, through which this province is passing as the result of the scanty crop of rice and the fall in the price of abaca and copra.

Add to all this the complete harmony existing among the provincial and municipal officials and employees, and between them and the residents, the immediate consequence has been the almost complete disappearance of caciquism, and a mutual interest in all that redounds to the betterment of the province.

AGRICULTURE.

The province has no other source of wealth than that of agriculture and no other industry of importance is found in it. Hence, its economic condition always depends on the quality and quantity of the crops and their price in the market. But in spite of its exclusive importance, it continues to be stationary; as the implements used are primitive and the system employed rudimentary, the use of machines is unknown, as are also modern methods of cultivation, and this is not solely due to the lack of capital, but above all, to the fact that those who devote themselves to this class of labor have not had the opportunity even to see such methods and to acquire practice in them. For these reasons it is no wonder that the crops never have corresponded to the area of land placed under cultivation, nor that no one up to the present time has devoted himself exclusively to agriculture on a large scale.

Nearly all the residents own their properties, though of small area; sow rice or corn, according to the season of the year, bananas, sweet potatoes, ube, and other roots and tubers, abaca, cocoanuts, cacao, coffee, and tobacco, with the products of which they satisfy the needs and comforts of life. Many of these properties were abandoned after the rinderpest, their owners engaging in the cultivation of lands requiring no work animals, and it was during this time that an impulse was given to the planting of abaca and cocoanuts, for the land cleared off for the sowing of rice and the planting of corn or sweet potatoes is at the same time planted to cocoanuts or abaca.

At present the principal crops are rice, abaca, and cocoanuts, and those of less importance, corn, tobacco, cacao, coffee, bananas, roots, and tubers.

Palay.—During the present year a larger area of land has been sown with this grain than in those previous, but the crop both of irrigated and mountain rice has not been abundant, a part of it having been lost as a result of the inclemency of the weather and through insects, nocturnal birds, and mice. The part of the crop lost is estimated at 40 per cent of the total of the entire province, as compared with the last year's crop of this same cereal.

Although the rice crop is often not sufficient for the consumption of its inhabitants, nevertheless I entertain the hope that there will be no famine this year, in view of the activity that is being shown on the part of the majority of the residents, and much more on that of the farmers, in planting corn, sweet potatoes, and other roots and tubers, and also because of the fact that on beginning the harvest of this year's rice there was in Gigaquit, Cantilan, and Tandag a not insignificant stock on hand of the last year's crop.

Abaca.—What rice is with respect to food, so is abaca in relation to the other needs and comforts of the inhabitants of this province of Surigao. This plant and the cocoanut often make up for the failure of the rice crop, and there are but few of the landowners who, having rice land, do not have other land planted in abaca or cocoanuts, to which, after the labors of sowing and harvesting of that grain, they devote their time.

At this date the area of land occupied by plantations of abaca may be compared with that occupied by rice sowings. Abaca develops better in land recently plowed, that has some slope, is mountainous, where the slopes are not very pronounced or steep, and which is moist, but which does not contain water. In planting it work animals are not required, nor implements other than the ax and the bolo. A hectare planted to abaca at a time when the fiber of this plant is at a good price in the market brings much more profit than that obtained from a hectare of rice.

Until about a year ago abaca obtained quite a high price, but since then its price has been going down until it is now but about half what it was. On this account the production of this fiber has decreased, and the producers, all engaged on a small scale, only endeavor to gather what is absolutely necessary to prevent their plantations from spoiling, or to obtain the amount of money they require to meet their most pressing needs.

Cocoanuts.—The cocoanut tree thrives best in lands near the sea or rivers and where the soil contains much sand. The seed is planted at a distance of from 8 to 10 meters apart, and it takes the trees from four to eight years to come into bearing, according to the class of land. From the meat, which is comestible, of the fruit of this tree they get cocoanut oil and copra. Tuba, a common beverage among the natives, is obtained from this same tree.

Cocoanut plantations cost less to plant and last longer than those of abaca. They only require some care in the first two years of their development, or until the trees have developed hard stalks, as during this period they can be destroyed by wild boars or mountain hogs and by carabaos. Not so with abaca, as from the time it is planted it is necessary to keep the land clean in order that it may develop better, until the harvest and also after it, for otherwise not only would the plantation not last long, but would be spoiled before yielding the first crop, or if it does yield the same would be very much reduced in amount.

The product of the cocoanut tree, like abaca, is subject to the fluctuations of price in the market. At the beginning of this fiscal year copra was quoted at as high as ₱11 per picul in this province, and at present is bought at ₱5.50. The oil is produced for local consumption, and is sold at ₱1 per gallon.

Corn, bananas, sweet potatoes, and other roots and tubers are sometimes cultivated, and among well-to-do people afford a variety in their food, and among others are a help to rice, and in certain cases make up for the lack of the said cereal. These roots, tubers, and bananas serve for the poor people their principal daily subsistence. Tobacco, cacao, coffee, and sugar cane are also produced, but in such a small quantity as to be insufficient even for local consumption.

At the present time only a fourth part, or even less, of the area of the province is cultivated, the remainder of the land being still virgin soil. In it are to be found extensive uncultivated plains suitable for rice, corn, sugar cane, etc., and mountains and plateaus of hundreds of hectares also uncultivated appropriate for coffee, cacao, abaca, tobacco, etc. Both the plains already under cultivation and those that are not are crossed by rivers and creeks which carry more than a sufficient volume of water to feed any system of irrigation, and, notwithstanding this advantage that nature has offered and is offering to man's

activity for his comfort and convenience, up to the present time no work has been done which might tend to utilize a means of such importance and necessity for agricultural purposes.

From what has been said it may be clearly deduced that the agricultural conditions of this province can very well be bettered. The establishment of a school of agriculture in the capital thereof, where, on the one hand, the theory and practice of scientific methods of cultivation and the use and mode of handling the implements and machines which may be employed therein can be taught, and, on the other, the promotion of immigration from Bohol, Cebu, and other provinces of the archipelago, furnishing such immigrants all possible facilities, can be accomplished, are, in my opinion, the most adequate and necessary means that should immediately be taken into consideration for the purpose of assuring success in the matter.

If in addition the province were provided, where necessary and proper, with a system of irrigation, an intelligent worker could count on a powerful aid in production and would exert himself to employ all his strength and energy in all agricultural labors, with the assurance that thereby he will obtain the capital necessary to acquire the machines and other modern agricultural implements, work animals, and labor with which to extend, advance, and perfect his work.

COMMERCE.

The commercial conditions are almost the same as in previous years. The sole articles of exportation continue to be abaca and copra, and those of importation, rice, flour, textiles, wines and liquors, canned meats, fish and fruits, sugar, spices, petroleum and other manufactured articles. A large part of this business is in the hands of foreigners, Europeans and Chinamen.

In the capital three houses are established, two of them belonging to Spaniards and one to Chinamen, which are engaged in the purchase by wholesale of abaca and copra and in the sale of rice, wine, and petroleum. These houses, by steamers and lorchas, with two Filipino merchants of Manila who make periodical voyages through the province, gather the said products from the pueblos, after supplying the latter with the articles mentioned.

There are also several Chinese stores in the same capital having branches in the other pueblos, which engage in importing manufactured goods for sale by retail, likewise by Chinese, and at the same time engross abaca and copra for the wholesale merchants.

In several pueblos some natives are engaged in business and have small stores like those of the Chinese, but the latter are numerous and generally do more business than the former, owing without doubt to the fact that they avail themselves, without scruple, lawful or unlawful, tending to favor them in their transactions, which the natives never do, but always conduct themselves in their dealings with the people with good faith and honesty. This is the reason all competition with the Chinese is considered impossible and why many natives with the little capital they have never risk putting it in a danger which they consider inevitable. Added to this the lack of the spirit of association noted among them which makes it utterly impossible for them to gather together a large amount of capital for any mercantile enterprise.

During the fiscal year the mercantile transactions have not been very brisk. There have been exported some 80,000 piculs of abaca valued at ₱1,000,000, and some 11,000 piculs of copra at an approximate value of ₱77,000; an amount relatively less than last year, considering the plantings made and now in condition to harvest. From what I have seen and observed in Surigao and in other pueblos, the importations have also been less than in previous years. As for rice, 30,000 sacks have been sold, which at the rate of ₱7 a sack amounted to ₱210,000.

ECONOMIC CONDITIONS.

The economic crisis which the entire archipelago is now suffering has, of course, been felt in this province. Never has such a stringency of money been seen in it as during the larger part of this fiscal year. The lack of sufficient money in circulation, the notable decrease in the prices of abaca and copra, with the retail business almost monopolized by the Chinese, are, in my opinion, the principal causes thereof.

If the decreased prices of the products exported continue for some time, with the small harvest of rice gathered this year, this crisis might become

alarming, and the people have for this reason endeavored to remedy the bad situation by devoting themselves with the greatest earnestness and constancy to all kinds of labor. Hence, in spite of this scarcity of money and of the double cedula tax, a larger number of 1908 cedulas could be paid for this than during the preceding years, and there are but very few delinquents in the payment thereof.

The activity and energy of those now responsible for and intrusted with the administration of the municipalities and of the province has also greatly contributed to economic improvement. Never has such success been noted in the collection of all kinds of taxes as during this fiscal year.

I have observed since in office that many barrios of those pueblos which were formerly municipalities and were united with other municipalities continue almost abandoned since consolidation. It seems that the municipal councils, composed for the most part of residents of the seats of the municipalities, consider that they have a right to spend all the funds in improvements only for the municipal seat, although the intention of Act No. 1241 is that a large part of the funds of these barrios be allotted for the improvement of the same. Legislation that shall oblige the municipal councils to dispose in this way of the said funds is, in my opinion, the best means of leading them out of their present erroneous course.

FINANCE.

The following is a statement of the revenues and expenditures of the provincial government during this fiscal year, according to the records of the office of the provincial treasurer: ^a

Comparing the revenues and expenditures of the general funds and those of road and bridge funds with those of the previous fiscal year, likewise the corresponding balances, we have the following recapitulation:

	General funds.	Road and bridge funds.
1907.		
Balance July 1, 1906	P6,846.05	P3,969.32
Revenues, 1906-7	38,138.41	5,338.45
Total	44,479.46	15,322.77
Expenditures 1906-7	38,866.69	4,404.47
Balance July 1, 1907	6,112.77	10,918.30
1908.		
Balance July 1, 1907	6,112.77	10,918.30
Revenues, 1907-8	28,979.40	19,899.77
Total	35,092.17	30,818.07
Expenditures 1907-8	27,008.68	1,411.55
Balance July 1, 1908	8,083.49	29,406.52

In the above recapitulation it is seen that the revenues and expenditures of the fiscal year 1907 were greater than those of 1908, which was due to the fact the province then comprised what is now the subprovince of Butuan, and the difference noted in the revenues of this year for roads and bridges owing to the passage of Act No. 1652, that is, to the double cedula tax throughout the province of Surigao.

Speaking in general terms, the financial condition of the provincial government is flourishing. Relatively the revenues of the fiscal year are greater than those of 1907, excluding from the same those collected from the special cedula or road tax and taking into account that a large part of the land tax is yet to be collected, as an extension without penalty was granted until September 30, 1908.

The municipalities are in the same condition, all of them having a surplus and no debt. Several at the beginning of the year were able to increase the meager salaries their employees had been receiving.

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

PUBLIC INSTRUCTION.

According to the data furnished by the division superintendent of schools of Surigao and Butuan there are at present in this province 71 primary schools, excluding those of Butuan, distributed among the municipalities, as shown in the following table, each one of which forms a school district in charge of an American supervising teacher:

Cantilan.....	11	Gigaquit.....	4	Placer.....	10
Dapa.....	10	Hinatuan.....	8	Surigao.....	7
Dinagat.....	10	Liangá.....	2	Tandag.....	9

There are also intermediate schools in the pueblos of Cantilan, Hinatuan, and Surigao, and a secondary and an industrial school in Surigao, the capital of the province.

All the pueblos and barrios have their respective buildings for primary schools, several of which, those of the barrios, having been built by the voluntary labor of the residents with but very little or any assistance from the respective municipal funds.

For intermediate schools Surigao has a beautiful building which serves at the same time for a secondary school, which was built by funds partly from the provincial treasury, partly by voluntary donations of the residents, and partly with funds from the insular treasury, and opened July 4, 1907. Out of these funds the shop building, in the pueblo of Surigao, was constructed with strong materials and zinc roof, and opened at the beginning of this fiscal year. These two buildings cost ₱32,000. Hinatuan has its own building still under construction, for which it has obtained from the insular government aid to the extent of ₱2,000.

According to the census the school population of the province is 13,384. During the term ended in March, 1908, 6,785 children were enrolled in the primary, 145 in the intermediate, and 12 in the secondary schools. The average attendance in the same was 3,823, 102, and 10, respectively.

The number of American teachers was 14, of insular Filipino 7, of permanent municipal 24, of whom 14 were male and 10 female, and of temporary municipal teachers 60, of whom 46 were male and 14 female; total, 105. The average monthly salary for permanent teachers, male and female, was ₱15.50 and ₱12.60, respectively; for temporary, male, ₱11.30, and for female teachers of the same class, ₱9.80; and for insular, ₱42.70.

Generally speaking, public instruction in this province is progressing every day, and the attachment and love for study is becoming more common among the children, who in many cases make sacrifices to attend some school, convinced that in no other way will they be able to acquire the knowledge which afterwards may be of use to them. On the other hand, fathers of families have understood that for the better fulfillment of the sacred duty that nature has imposed upon them with respect to their children there is no other more appropriate means than that of sending them to the schools. For this reason they are always willing to assist with their labor and money in all matters relating to the advancement of the school department.

I believe with this good disposition on the part of the children and their parents and with the intelligent zeal, activity, and energy of the division superintendent of schools and of the American and Filipino teachers that at no distant day Surigao will be one of the rich and prosperous provinces of the archipelago.

INDUSTRIES.

There is none worthy to be called such in this province, except the abaca and copra industries. The lumbering, ratan, mat and textile, and fishing industries are of such slight importance that their products are not even sufficient to supply local demand.

The methods employed in the production of abaca and copra and in obtaining tuba from the cocoanut tree are already well known and described in the annual reports of this government for previous years. There are no machines in this province for stripping hemp or for making copra, so that the production of these two important commercial articles continues by manual labor only.

MANUFACTURES.

In the capital of the province there are two manufactories of common soap, established less than a year ago by several Chinese merchants, but their product is entirely for local consumption. The distilleries of nipa wine, which

in previous years were in operation in the municipalities of Gigaquit and Tandag, have now been entirely abandoned, owing to the lack of capital and the little profit they yielded.

NATURAL RESOURCES.

Forestral.—The province is one of the most favorable of the archipelago as to forestal wealth, as a very large part of its area is still covered with all kinds of trees and plants. In it are found in abundance the strongest and most durable timber, such as the mancono and the sudyang, as well as the ebony tree, tindalo, vacal, molave, narra, and a great many others suitable for the construction of buildings and furniture, trees from which rubber and rosin are extracted, and medicinal, oleaginous, and tinctorial plants. There are also trees and plants which contain coarse, strong fibers suitable for cordage. But notwithstanding such a variety and abundance in the forestal wealth, up to the present time no one has engaged in developing it, perhaps for want of sufficient capital and the difficulty of transportation. Only a few, obliged by necessity, devote themselves at certain times to the cutting and sawing of timber to be used within the province.

Mineral.—Up to the present time 95 claims have been recorded in the registry of mines of this province. These claims lie within the districts of Surigao and Placer, and are all as yet unworked. Gold is likewise found in Danagat, Lianga, and Hinatuan, but no one is now engaged in its search.

Besides gold, copper, and coal, which have already been spoken of in the previous reports, beds of gypsum have also been discovered in the municipality of Placer.

PAGAN TRIBES.

By the creation of the new province of Agusan, that of Surigao has been dismembered of the territory that forms the valley of the same name, together with its inhabitants, the majority of whom are Manobos, Mandayas, and Mamanuas, members of non-Christian tribes.

However, a few members thereof are to be found within the province of Surigao; the Mamanuas, in the mountains of Surigao, Maynit, Cantilan, and Tandag, and the Manobos, in the forests adjoining the sementeras of Cantilan, Tago (Tandag), Marihatag (Lianga), and Malixi (Hinatuan).

The Mamanuas are a nomad people and very shy; they live by hunting and do not work except when obliged by necessity, and then place themselves at the service of the haciendas near the mountains, where they go as soon as they are free from need and find some pretext for leaving. It is difficult to get them to live in towns.

The Manobos, on the contrary, are workers. Those near Cantilan, some 300 in number, cultivate abaca, sweet potatoes, and other plants, have dwelling houses, and devote themselves from time to time in other lucrative labors. The same is observed as to those living in the neighborhood of Marihatag, about 200, who are above the Hinatuan River, beyond the barrio of Malixi, and are found in the vicinity of the sitio, occupied formerly by the now abandoned settlement of San Miguel, above the Tago River.

Steps have been taken to unite them by forming settlements, and I hope to succeed in doing so, in view of the inclinations observed in them, such as their attachment to labor and their love or ambition for owning property.

The Manobos are bitter enemies of the Mamanuas, and several times bloody conflicts have taken place between them which nearly always have resulted in the extermination of the latter through the superiority in number and cunningness of the former. This mortal enmity is, according to my information, due to the fact that the Mamanuas, having no plantations of their own, devote themselves during their wanderings to stealing whatever they find in their way, and such acts are abhorred by the Manobos, not only because of the injury to third parties, but also, and above all, because they consider such acts a discredit or dishonor to them in the eyes of the civilized Christians.

POLITICAL CONDITIONS.

No occurrence affecting the peace and tranquillity of any pueblo or barrio of this province has been observed during the fiscal year.

The general elections of last November were held with entire regularity, and there was only one protest, which was heard and decided by the court of first instance to the satisfaction of the protestors and the parties protested against.

The religious questions, which in times past used to be the source of quarrels, have fortunately disappeared, owing to the fact that all perhaps have understood that anyone is free to profess and practice a belief according to his own pleasure so long as no offense or annoyance results to others.

Up to the present time no other organized political party than the Progresista exists anywhere in the province. At present everyone gives more attention to such labors as may produce the wherewithal to ward off the threatening famine or remedy the lack of money that is not advantageously obtained from abaca and copra than to politics.

The administration of the municipal governments is very much improved. In nearly all of them are competent, active, and energetic officials and employees who intelligently comply with their duties and interest themselves in the progress and well-being of their respective municipalities.

The abuses committed by some of the said officials and employees in the performance of their duty have been stopped. A municipal president, that of Surigao, and two municipal treasurers, those of Surigao and Lianga, were dismissed from office, the first two for violation of section 28 of the municipal code and the last for the misappropriation of public funds.

On June 23 last the municipal president of Cantilan communicated to me that various Manobos from Tago threatened to assault and kill the residents of Carmen, of the said municipality. The cause of this, according to the information given by the president, was that the Manobos demanded the delivery of a Mamanua child who was employed as a servant by a resident of the same barrio and was the only one that had escaped from the power of the Manobos, the demanders, when the latter several years before had caught the parents and relatives of the child to take them to the mountains and kill them. Inasmuch as the person to whom the demand was made refused to deliver the child to them, for he knew that the child would also be murdered in the mountains, the Manobos, infuriated, uttered the threat, fixing June 29 as the day for its fulfillment in case the child should not be delivered to them or they should not be given, as payment in default of the delivery, a carabao and ₱40 in money. However, several days have elapsed and nothing has been heard to confirm the fear of public disorder or that anything was given to the Manobos; but, on the contrary, it is said that there is peace and tranquility, as in the rest of the municipality and in the entire province.

On the docket of criminal causes in the court of first instance of this province, pertaining to the fiscal year just closed, I have found two causes, originating in Butuan of the Province of Agusan, against the municipal president of Lianga for sedition and rebellion committed, as related in the complaint, within the jurisdiction of this court and in the same municipality of Lianga. As they concern matters of transcendental importance to public order, I carefully investigated them, but from my information nothing has resulted to substantiate either, and in fact the said court of first instance, in its sessions held in Butuan last April, dismissed both cases on petition of the fiscal as being unfounded.

PUBLIC HEALTH AND SANITATION.

All that I am able to say on this subject is the result of my personal observation. It was not possible for me to acquire statistical data from the office of the health officer of this province who, during the last months of the fiscal year, was nearly always absent from Surigao, sometimes within the province and at other times in that of Misamis, always in compliance with his official duties.

The public health during the entire year has been unsurpassed. No epidemic disease has been recorded in the pueblos and barrios nor among the residents or domestic animals. Cases of fever or malaria have been rare.

A party of vaccinators is now visiting the municipalities of the province, administering vaccine to the residents of both sexes, with the necessary material furnished by the health department of Manila. There is no smallpox, nor has there been any case of this disease during the entire year.

Speaking in general terms, the sanitary conditions have greatly improved. The pueblos are clean and their residents endeavor always to keep them in this condition. They have duly been made to see and understand that diseases, above all those that are contagious, thrive best and have a larger number of victims in the pueblos where cleanliness is conspicuous by its absence, and all have cleaned the streets of the towns willingly and voluntarily—a work that many of the municipalities are never able properly to attend to on account of the insufficiency of funds.

LOCUSTS.

Swarms of locusts appeared in different pueblos during last July.

Immediately such measures were taken as were conducive to the strict fulfillment of the provisions of Act No. 817 of the Philippine Commission, and I have recommended to the municipal presidents to keep me posted with regard to any measure taken for the extermination of this plague and of the result obtained. Up to this time I have only received one report from the municipal president of Surigao, in which he tells me that although locusts have appeared within the district of his municipality, they have caused no damage to the plantations.

Respectfully submitted.

Pio G. Kaímo,

Governor of the Province of Surigao.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF TARLAC.

[Translation.]

OFFICE OF THE GOVERNOR,

PROVINCE OF TARLAC,

Tarlac, July 15, 1908.

SIR: I have the honor to forward herewith my report for the fiscal year ended June 30, 1908.

GENERAL.

Public order.—Although the public order and tranquillity of the province have not been disturbed, owing to the constant vigilance of the constabulary, seconded by the municipal police in the respective jurisdictions of each municipality, I must, however, record an act which, if it had not been checked in time, would have been sufficient to cause disturbance and fear among the inhabitants. I refer to an illegal association directed by one Pedro Cabula, of Pangasinan, which was discovered by the local authorities of the municipality of Camiling on August 12, 1907, and which gave rise to the trial for secret association of the persons compromised, in cause No. 109, in the court of first instance of the fourth district.

Flood.—In the night of August 29, 1907, there was a flood caused by the overflow of the Tarlac River, which rose furiously in a few moments and destroyed part of the dam constructed by the government for the protection of the town, opening large gaps through which the river poured.

Tarlac Railway.—On November 29, 1907, the Tarlac Railway Company opened its line from Paniqui to Camiling, which contributes and will contribute greatly to the material progress of those towns.

Official visits.—On March 7, five days after taking office, I began the official visit prescribed by Act No. 83, section 7, and completed it on March 20, well satisfied with the results, as I found that the municipal officials of the towns sacrifice themselves in the performance of their duties and travel over their respective jurisdictions to inform the masses, either by teaching them the laws and ordinances so that they may know their meaning, or by inculcating good habits.

AGRICULTURE.

Agriculture, the principal source of wealth, is not in the most prosperous condition owing to various causes. The first, in the judgment of the writer, is the lack of capital, as 70 per cent of the farmers of this province work for two or three of the most wealthy persons in each town who are genuine economical cañiques and who, taking advantage of this very critical situation of the farmers, demand 40, if not 50, per cent.

The rinderpest, that terrible scourge which appears periodically at certain times of the year, becoming almost endemic in some towns, also contributes to the backward condition of agriculture in this province, and not only carabaos, cattle, and horses feel its ravages, but even the smaller domestic animals.

Another cause is the lack of work animals such as the carabao; there being none, or only a deficient number, it is not surprising that many landowners are unable to plow their land or have to leave the greater part of it unworked.

Another cause, particularly in the northern towns, is the periodical floods of the Tarlac River during the rainy season. When this river overflows it does not respect any natural or artificial obstacle in its way, but destroys, sweeps away, and renders barren, fertile lands by a thick layer of sand, and there is no possibility of directing it into a channel.

Owing to the drought during the year just ended the plantations, so beautiful and exuberant at the beginning, and promising a prosperous and abundant crop, did not give the result longed for, and rice suffered a loss of 30 per cent in production. I do not mean to say that the production is not sufficient for our needs, but that considering the fertility and extent of our lands they would give more than what they produce to-day were it not for the causes mentioned.

COMMERCE.

In commercial movement for some time past certain animation has been observed, as there are many dry-goods stores in the towns, many of European, American, Chinese, and native goods, and of liquors and provisions from Manila. The cash thus put into circulation being estimated at from ₱100,000 to ₱150,000 per month. In the dry season—that is, from January to May, inclusive—rice and sugar are sold, the owners reserving sufficient for the use of their families and their plantations. In some of the towns of the province timber from the public and private forests is sold and exported to Manila and the surrounding provinces, either in its natural state or sawed and trimmed, the most by the railway and a small part by the Chico River, the forest tax being a source of revenue for the municipal, provincial, and insular treasuries.

INDUSTRIES.

There are in the province seven machines for hulling and polishing rice, a sawmill in the barrio of San Miguel, in the municipality of Tarlac, the property of the Tabacalera Company, and steam, water, and animal power sugar factories, of which there are thirty, more or less.

Our looms lack importance, as what they produce is not even sufficient for the needs of each family which engages in this industry. A few families make burl mats, etc., by hand, some clay pots and pitchers, and others rattan chairs.

Only three distilleries or factories of native wine are working, some being closed because of their not being able to pay the large taxes collected under the internal-revenue law, to which is due the great decline in the production of molasses, one of the prime materials in the manufacture of alcohol.

ECONOMIC MATTERS.

From what has been stated it is deduced that the financial condition of the province is not satisfactory. Scarcity of money is observed, above all among the masses of the people who live on farm products, and owing to this, to the need of work animals, and to the failure of the last crop the farmers of the province are in a very critical condition.

FINANCIAL MATTERS.

The province of Tarlac can maintain itself with its own resources. Of the eleven municipalities seven are in a very satisfactory financial condition and four leave much to be desired.

The suspension of the land tax greatly affected the development of the primary schools, but there is great hope of recovering the lost time during the present fiscal year through the collection of that tax. It is to be regretted that the municipalities used their funds rather to maintain the official class than for public improvements.

It is estimated that on an average the money expended on public improvements does not exceed 10 per cent of the municipal receipts, and Act No. 1691 of the Philippine Commission was passed at an opportune time to remedy this defect by limiting the amount which municipalities may expend for the payment of salaries.

In general, it may be stated that during the past fiscal year there was an increase in the receipts of all the municipal and provincial resources and that the officials are animated by the best desires to take full advantage of all sources of taxation and to make permanent improvements in their towns.

The provincial government had a balance of ₱17,148.93 on July 1, 1907, and the receipts during the year just ended amounted to ₱57,853.94. The land tax produced an important part of these receipts, as 50 per cent of it was collected up to June 30, and receipts from cedula showed an increase of 18.7 per cent over the preceding year.

The construction and maintenance of provincial highways have, like the schools, suffered a great setback because of the suspension of the land tax. During the past year only ₱4,497.69 were expended for such work, and with this amount 33 miles of road and bridges were kept in repair by the peones camineros and 5 tubular concrete bridges were constructed. This year it is hoped to give a great impulse to work on roads and bridges by the collection of the double cedula tax, which is now viewed with less prejudice by officials and people. The provincial board in its visits to the municipalities tries to inculcate in the people the advantages of this tax and has seen with pleasure that the public responds to its plans.

With the building of public works and of the provincial building and an industrial school during this fiscal year the working classes will have an opportunity to earn their living and the province will have succeeded in giving visible signs of its financial progress.

NATURAL RESOURCES.

The forestal wealth of Tarlac, exploited on a large scale in former years, has suffered greatly, owing to the large clearings which are annually made in private forests and which are used as cañingins.

No mineral wealth is yet known except two beds of gypsum, worked on a small scale, one in the municipality of Capas and the other in the municipality of La Paz.

PUBLIC INSTRUCTION.

Public instruction was revived in a vigorous manner by the setting aside in its municipal legislation certain revenues to provide the pueblos with good public schools, books, and other articles necessary for study, which are given free for use, with the aid of American as well as Filipino teachers. These teachers employ a system of instruction formerly quite unknown in this country, which trains the body at the same time as the intellect, and is gladly accepted by the pupils, who develop both in mind and body. The interest of the present government in this matter is so evident that it has created a department for the sole purpose of caring for and looking after the improvement and progress of public instruction.

From these reflections, born of the enthusiasm of a Filipino who is a lover of education, spontaneously arises a painful comparison between the past, the present, and the future of Philippine public instruction. It is saddening to think of what the instruction of the Filipinos would have been if a régime which lasted little less than four centuries had shown the interest and given the attention which to-day are shown this branch of the administration.

Public instruction at that time was absolutely uncared for and without resources of its own, consequently the municipal buildings destined for public instruction, if there were any, unless they were the ground floor of parish convents or municipal buildings, were rare; and the schools were almost always deserted by the children, who grew up in an atmosphere of ignorance, without means for developing their intellectual faculties, with the exception of a few whose families were favored by fortune. The latter succeeded in getting an education in the capital of the archipelago.

Public instruction in the towns was then under the immediate supervision of the friar priests (the ex-officio supervisors of popular instruction) who, instead of caring for its advance and progress, did not refrain from showing the public how opposed and inimical they were to the education of their parishioners; and to prove this assertion I shall venture to relate what occurred in this very capital of Tarlac before the revolution. One Sunday the gobernadorcillo (as the municipal presidents were then called) entered the convent accompanied by all the principales, and after all had kissed the hand of the parish priest the gobernadorcillo said to him that he had received a communication from the governor of the province ordering him to construct a school house for the boys and girls of the town, and that for that reason he had come to consult him about the matter. The priest answered him in these words: "Oh, indeed! Do you know that you, you stupid, as well as your governor, are crazy? What use

is a school in this town or any other? Don't you Indios know that you were born only to walk behind a carabao and hold a plow, because as soon as you learn anything you become mentally unbalanced, irreligious brutes?" And as the gobernadorcillo replied that his chief had so ordered him, the priest added: "Well, obey your chief, but I tell you it is a pity to spend the money for such things, and if I were you, instead of constructing a new school, I would have the lower story of the townhall repaired, and thus you will get out of the difficulty." In fact that was the result; to please both of his masters, and, of course, fearing his priest more, the gobernadorcillo repaired the lower story of the townhall.

This was, more or less, the system of public instruction in these towns, while now it is free from all clerical interference and is given preferred attention by the present government, which lends it all its moral and material support, and the advantageous results of education are already observed and felt, especially as the people are eager for instruction.

The schools of the towns, and even of the barrios, are very well attended, there being at present 10 central, 7 intermediate, 83 barrio, and 3 Negrito schools, a total of 103. We have 16 American, 14 Filipino insular, and 134 municipal teachers, a total of 164. Some 8,299 children attended school, about 477 of them in the intermediate schools. In the primary schools 30 pupils assist without pay, and are training for teachers. In addition there are private schools, maintained by private persons in the towns and barrios, in which Spanish is taught.

SANITATION AND HEALTH.

In general the province is healthful except in some towns walled in by constantly damp forests. Malaria is very prevalent from December to May (the dry season), because there is a great evaporation of the miasma-producing water standing in the forests and rice fields. Eruptive infectious diseases, such as smallpox and measles, are also generally prevalent in those months, but during the fiscal year just ended very few cases of smallpox have been reported, thanks to the public vaccination carried on almost constantly.

The vaccine virus used in the province during the past fiscal year amounted to 196,600 units, the provincial vaccinators and presidents of municipal boards of health having performed 168,344 vaccinations and 26,497 revaccinations during that period.

In March this year cholera, imported from Pangasinan, appeared in the municipality of Moncada, but thanks to the energetic measures adopted by the health officials soon disappeared from that municipality after having found 10 victims. There were also some cases in the municipality of Capas, in April, but it soon disappeared owing to the isolation and disinfection of those attacked. At present the municipalities of Camiling and Moncada are invaded by cholera, the first case, also imported from Pangasinan, having occurred in the municipality of Camiling on June 28 last.

Energetic measures are being taken in all the municipalities to combat and prevent the disease, and it is hoped that it will not be long in completely disappearing from the province. There are at present 38 lepers and 17 insane in Tarlac.

During the past fiscal year 4,179 persons have died in the province, of whom 79 were transients and 4,100 residents of the province; and of the total 185 had medical attendance and 3,992 had none, the annual mortality during the year past having been 29.83 to the 1,000. The number of births was 7,572, so that there has been an increase in population of 3,395. Judging public health by this census of population, a barometer which measures the increase and decrease, Tarlac is without doubt one of the most healthful of the provinces, as since 1903, when the census was taken, the population has increased by 14,061 merely from the excess of births over deaths, so that its true population at present is 149,168.

NONCHRISTIAN TRIBES.

There are in the province rancherías of Aetas or Negritos, in the mountains of Bamban, Capas, Tarlac, Gerona, and Camiling, which have been given a special organization and furnished with personnel for their government.

With the exception of those of the municipality of Camiling, they all live in a semicivilized state, as since they have been given their special organization, they are living in houses and dress like Filipinos.

They are not averse to the influences of civilization, as those of Tarlac and Capas already have schools, and this year it is hoped to furnish the other rancherías therewith.

They engage in planting rice, tubers, and vegetables, on which they live, and in fishing and hunting.

Respectfully submitted.

JOSÉ ESPINOSA,
Governor of the Province of Tarlac.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF TAYABAS.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF TAYABAS,
Lucena, July 16, 1908.

SIR: I have the honor to submit for your consideration my report for the fiscal year ended June 30, 1908.

PUBLIC ORDER.

From the time I took office, March 2, 1908, I have been engaged principally in visiting the municipalities for the purpose of becoming acquainted with the conditions of each, and it may safely be said that they have worked as much as possible to better their interests and to secure the prosperity and progress of their respective inhabitants, and for this reason they are in better condition than in past years.

Caciquism has lost ground, thefts of animals have greatly decreased, and gambling as well; vagabonds and criminals are disappearing. There is no longer any party of bandits within the jurisdiction of the province, although the leader, Esteban Deseo, has not yet been captured, owing to the topographical formation of the province, which provides a very good shelter for this class of people. It is hoped, however, that he will sooner or later fall into the hands of the government.

Far from being able to organize a party, Esteban Deseo can scarcely have time to hide himself in the mountains, as he is so well watched on all sides. His presence in the mountains and the existence of the *Colorum* in the mountains of San Cristobal do not signify that the province does not enjoy unsurpassable peace and tranquillity.

COLORUM.

The *Colorum* is made up of numerous persons on account of whose religious beliefs it has often been considered a religious sect, but my recent investigations prove these beliefs to be the Roman Catholic religion itself, accompanied by a stupid fanaticism, frequent miracles, and the appearance of saints.

These people are from the provinces of La Laguna, Batangas, Cavite, Manila, and Tayabas, and the places frequented by them are in the mountains of San Cristobal between this province and La Laguna, where they pass many months of the year praying, especially at Christmas time.

The name "*Colorum*" comes from the Latin phrase "*sæcula seculorum*," with which they end all their prayers.

In times past they constituted a continual menace to public tranquillity, because then, apart from the religious fanaticism, they were imbued with the idea of a revolutionary communism; but after the country was pacified, in the year 1902, they limited themselves to sustaining fanaticism, without mixing in politics. At present they are all pacific and lead a truly religious life, not neglecting field labors, however, their only means of support.

The chief or chiefs of these *Colorums* must have a good income, as each of his believers is obliged to pay into the treasury good sums as alms every time that they go to pray. There are families who dispossess themselves of all their property, selling it merely to pay the alms of which the leaders get the benefit.

PUBLIC INSTRUCTION.

There are primary schools in all the municipalities, in addition to 9 intermediate schools in Lucena, Atimonan, Lucban, Santa Cruz, Boac, Catanauan, Pitogo, Sariaya, and Tayabas; a high school in Lucena; 2 schools of arts and trades in Atimonan and Santa Cruz; and 3 schools of domestic science in Lucena, Atimonan, and Lucban.

All of them are presided over by 223 teachers, Americans and Filipinos.

In various municipal primary schools the system has been adopted of teaching the children the rudiments of practical agriculture by making flower and vegetable gardens with the work of the pupils themselves. This system has been very well received in the municipalities where it has been introduced, the pupils as well as their parents being very much interested in the proper conservation of the gardens.

These 223 teachers are distributed in the municipalities as follows.^a

SCHOOL BUILDINGS.

The school buildings in the municipalities are in relatively good condition considering the resources at their disposal.

The schoolhouses in the following towns are worthy of mention:

In Lucena, a public school which cost the municipality nearly ₱14,000, in addition to another, also the property of the municipality, in which the intermediate school is located at present; and another containing the high school, which cost the province ₱26,000.

In Sariaya, a schoolhouse of strong materials, all the timber employed being of the first group, and which cost the municipality nearly ₱12,000, was constructed three years ago.

In Atimonan, a public schoolhouse of first-class materials, one story in height; easily accommodating 500 pupils.

In Santa Cruz, a schoolhouse, the handsomest in the province, which has just been finished at a cost to the municipality of nearly ₱14,000, the upper story being intended for an intermediate school and the lower for a school of arts and trades. The public school is in another old house of first-class materials, also the property of the municipality.

In Boac, a schoolhouse of first-class materials, quite large although somewhat old, but kept in good condition for school purposes.

In Mauban, a very good and spacious school building, of strong materials, which cost the municipality nearly ₱19,000.

In Lopez, a schoolhouse of large dimensions, still unfinished, first-class materials, which is costing the municipality nearly ₱10,000.

In Tayabas, the most spacious of all the schools, worth, probably, more than ₱25,000. The money which has been expended in the construction of this building was exclusively from the municipal school funds.

The municipalities of Guinayagan, Alabat, Lucena, and Boac have been permitted to take up a voluntary subscription to add to the funds appropriated by each of them to erect school buildings in their respective municipalities.

Without counting the municipality of Casiguran, which has just been separated from that of Baler, this province has to-day 109 school buildings,^b including barrio, central municipal, intermediate, and high schools, whereas in 1906 it had only 81 buildings of this class.

A third of these buildings are constructed of first-class and two-thirds of mixed materials, owing, not to the lack of activity of the municipalities in this branch, but to that of resources.

Pupils.—Pupils of both sexes attend the schools, the masculine sex being in the great majority.

Generally those of the public schools are from 7 to 10 years, those of the intermediate from 10 to 15, and those of the high schools from 14 to 18 years of age.

^a This table has been omitted and filed in the Bureau of Insular Affairs, War Department.

^b A table showing the distribution of these schoolhouses has been omitted and filed in the Bureau of Insular Affairs, War Department.

Enrollment and average attendance.

	Matricu- lated.	Attend- ance.	Average.
Public schools.....	13,529	10,399	76.8
Intermediate schools.....	816	611	74.8
High school.....	67	56	83.5
	14,412	11,066	76.7

Comparison of the enrollment and attendance of pupils in 1906 and 1907.

	1906.	1907.	Increase.	Decrease.
Enrollment.....	12,019	14,412	2,393	
Attendance.....	11,061	11,066		15

The great difference between the number of pupils matriculated and the attendance at school, as well as the slight decrease in attendance during the year 1907 in comparison with that of the year 1906, is explained by the increase in the number of private colleges and schools in the province, which are attended by more than 4,000 pupils of both sexes.

School funds.—The following table indicates the school funds of each municipality of this province.^a

The municipality of Tayabas was first in receipts and surplus, while Lopez was first in expenditures.

The amounts annually assigned for salaries of teachers by the municipalities will be seen in the following table:^a

JUDICIAL.

The following table shows the work performed by the court of first instance in the province of Tayabas and the subprovince of Marinduque.^a

JAIL.

The province has no building of its own intended for a jail, which is temporarily established in a rented house.

A private contractor is in charge of feeding the prisoners at 20 centavos per diem each; the food is healthful and sufficient in quantity.^b

It should be noted that those sentenced by the court to more than two years are sent to the Bilibid prison in Manila, while those only having to undergo confinement for less than two years remains in the provincial jail.

AGRICULTURE.

The people of Tayabas are active in tilling the fields, in cutting the forests, and in planting all classes of plants useful to them; but this activity alone is not sufficient proportional even to the fertility of the soil, which can not be behind the most fertile provinces of the archipelago.

The lack of capital causes the farmer to be without the best farm implements, which with the decrease of work animals, the plagues of locusts and insects which decimate every plantation, the lack of rain, the diseases of the cocoanut and palay, and the low price of copra and hemp makes the farmer despair. However, by dint of hard work some increase in the plantations was obtained.

Rice.—Because of the broken nature of the soil this cereal is not planted on as large a scale as in other northern provinces, and the quantity harvested is not sufficient for the necessities of the inhabitants, who import large amounts from Manila at all times of the year.

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

^b A table showing the number of prisoners has been omitted and filed in the Bureau of Insular Affairs, War Department.

In the past fiscal year there was an ordinary crop of palay in almost all the towns, including the town of Santa Cruz, which, for lack of water, had not been able to get a crop for seven successive years.

According to the data furnished by 19 municipalities, the crop of the past year amounted to 368,470 cavans, and adding thereto that harvested in the municipalities of Tayabas, Sariaya, Santa Cruz, Candelaria, Calauag, and Lucban, which have not furnished data, it is estimated that the quantity of rice harvested is approximately a little more than a third of what was consumed during the year.

Although the plague of insects which destroyed the palay fields in the municipalities of Lucban and Tayabas has been reported to the Bureau of Agriculture, this bureau has not up to the present been able to find a means for exterminating them. These insects, according to some farmers, form their larvæ in the remains of spoiled palay and in the piles of rotten straw in the palay fields, and after some days the chrysalids appear, which, after their metamorphosis, have the form of flies with two membranous wings, and fly in groups to the fields to look for food. This plague of anelids is alarming to farming, not only in the two municipalities attacked, but also in the neighboring ones.

The cocoanut.—This palm, to the fruit of which is due in large part the wealth of this province, has increased in numbers; but its production has decreased through the scarcity of nuts, due to typhoons, earthquakes, and insects which destroy them. The earthquakes and typhoons are inevitable, but the insects can be avoided by an annual cleaning of the cocoanut groves and trees and the destruction of all breeding places in the groves, which are generally the dead trees themselves, which are left to rot there. The bureau of agriculture calls this disease of the cocoanut caused by insects "bud-rot." The provincial board has resolved to put into effect in the municipalities whose cocoanuts are attacked a resolution warning against permitting sound trees to be attacked and providing for the burning of those already diseased.

During the past year 831,933 cocoanut trees have been planted in the 15 following municipalities, which have furnished data: ^a

Adding the number planted in the other 11 municipalities, the total number planted during the past years on an approximate area of 5,555 hectares of land may be estimated at a little more than a million trees.

Abaca.—Abaca comes next in importance in agriculture after copra, a principal element of the wealth of the province, and rice, an article of prime necessity. This fiber plant already occupies large areas of land, but it has not yet reached the point of competing with the province of Albay and others which produce this class of fiber on a large scale.

The following 13 municipalities have furnished data on this subject: ^a

From these data it is deduced that more abaca plants were set out in 1907 than in 1906, when only 1,714,695 plants were set out in the 18 municipalities which furnished data.

Other plants.—Coffee and cacao are planted here for the consumption of the farmer himself, and in consequence only a very few trees are planted in the gardens, which can not at all supply the needs of the inhabitants, who import from Batangas.

Corn, the various kinds of camote, gabi, and various classes of tubers are cultivated in all kinds of fields for the consumption of the poor people and to take the place of rice in seasons of scarcity.

Sugar cane is also cultivated on a very small scale for the making of a kind of paste which is much used as a substitute for sugar.

There are varieties of the richest fruits, such as the pineapple, orange, papaw, ate, guava, guayabano, etc., which are not exported. Also a variety and abundance of vegetables, which are sold in all the markets for general consumption.

Tobacco and maguey are scarcely cultivated here, although there are a few plantations on the island of Marinduque.

Cattle.—The number of cattle in this province has been greatly reduced by the rinderpest and other animal diseases. The following table shows the number of large cattle branded during the year 1907 in the various towns: ^a

The province does not import cattle, but, on the contrary, the municipalities of Alabat, Baler, Casiguran, Infanta, Polillo, Santa Cruz, and Torrijos export on a small scale. Hogs, chickens, and eggs are imported from the neighboring province of Batangas, as the women as well as the men prefer to till the

^a Omitted, and filed in the Bureau of Insular Affairs, War Department.

fields to any other kind of work, and the municipal councils have always recommended the raising of this class of stock in order to lessen, if only in a slight degree, their importation, which is constantly increasing.

The improvement of the roads of the barrios as well as the provincial roads has greatly benefited agriculture by facilitating the transportation of products from one town to another, although there are still very large forest areas untouched because of lack of capital.

INDUSTRIES.

The weaving of hats of buntal, buri, and pandan in Lucban, Sampoloc, and Mauban is the most important industry of all, and the total receipts therefrom may easily amount to ₱200,000 annually in the three towns mentioned. This income is produced almost entirely by the women, who, in addition to being the most skillful at this kind of work, find it very appropriate for their sex because the workshop for this labor is generally the home. The making of this class of hats is now becoming general in all the towns, and it is hoped that after some time it will constitute one of the principal sources of wealth of this province.

The manufacture of buri sacks, also made by the women, comes next in importance after that of hats. These sacks are exported to Manila and produce a good deal of money for the towns which engage in their making.

Sinamay weaving also gives hopes for increased production after some time. The towns of Santa Cruz, Boac, Gasang, Torrijos, Atimonan, Mulanay, and Lopez engage in this industry, and some of them export their produce to other provinces.

The making of sabutan mats in the towns of Lucban and Mauban, which export them to the neighboring province of Batangas, is also notable.

MANUFACTURES.

An hydraulic press for extracting cocoanut oil has been established in the municipality of Tayabas which can produce up to 200 tinajas of oil per day, and in addition there are similar presses of old style in each town.

There are at present 11 stills for manufacturing coco and nipa alcohol—5 in the municipality of Lucena, 3 in Tayabas, and 2 in Mauban. The internal revenue on this industry yields the treasury good receipts.

In Tiaong there is a steam rice-hulling machine which can handle 200 cavans of rice daily. There are others of this class in the municipalities of Tayabas, Lucban, Sariaya, Sampoloc, and Mauban, but they are hydraulic machines of small capacity.

There are two steam saws, one in Pagbilao and the other in Guinayangan, while Lucena has a cigarette factory owned by Chinese capital, but having Filipino workmen.

There are soap factories in all the towns, directed by Chinese, the principal material used being a cocoanut oil; and there are knife and bolo factories in Lucban, the most industrious town of all in this province.

COMMERCE.

There are business houses, such as the Compañía General de Tabacos, established in Lucena with its agencies in Antimonan, Mauban, and other towns, its principal business being the purchase of copra and abaca and the importation of rice.

Another of the oldest houses is that of Don Joaquín García López, which also engages in the purchase of copra, the importation of rice, and the transportation of merchandise from Manila to Lucena.

Recently an agency of the Philippines Products Company has been established in Lucena and does almost as much business as the others.

Owing to the relative scarcity of copra and to the consequent penury of the people, business is gradually declining. The Chinese owners of shops and stores who sell at retail are continually complaining of the small sales of their goods, the result being that the merchants of Manila as well as local merchants are doing less business than in former years.

Copra and abaca.—Some 160,000 piculs of copra, at prices ranging from ₱6 to ₱10 a picul, have been exported to Manila from the central towns, Candelaria, Sariaya, Tayabas, Lucena, and Pagbilao alone. From the commercial

point of view the production of copra the past year may be estimated at 20 per cent less than that of a normal year.

The abaca and copra produced in the towns on the Pacific coast are carried to Manila from the towns of Mauban and Atimonan, for which reason it has been difficult to obtain data on the exportation from those towns; and that produced in the towns on the coast of the China Sea is collected at Catanauan, whence it is exported to Manila every 10 days in a steamer of the Compañía Tabacalera.

Rice.—The rice brought from Manila during the past year reaches some 20,000 piculs, at from ₱6.30 to ₱7 a picul. The importation of rice has decreased by approximately 50 per cent of the amount imported in former years, due doubtless to the increased production of this article in the province.

ROADS, BRIDGES, AND MEANS OF COMMUNICATION.

Roads.—The roads of this province may be classified as insular, provincial, and country. The insular roads opened or improved with insular funds, with the maintenance of which the provincial treasury is charged, are up to the present 20 miles long and extend partly from Tiaong of this province to San Pablo of La Laguna and partly from Pagbilao to Atimonan. The portion of the road from Bay to Tiaong is maintained by section men. All the other provincial roads are well conserved by laborers in charge of American foremen, who move from one town to another as needed.

The provincial roads are those which lead generally from one municipality to another, opened or improved with provincial funds, aided by some subsidy or other from the insular treasury. There are only 45 miles of this class of roads over which all kinds of carts and vehicles can pass.

The country roads are those constructed and conserved by the municipalities, and are generally for the passage of horses, etc., a few rare exceptions are for carts. These roads are more numerous than the insular and provincial roads together.

The interest of the municipalities in improving this class of roads is notable; and many of them are very well repaired and maintained by the people themselves, who work without pay to the end that their products may have easy transportation.

We have, thus, a total of 66 miles of roads within the jurisdiction of this province over which carts and vehicles can pass perfectly well. Of these 66 miles, only 6, between the towns of Atimonan and Lopez, were constructed during the year 1907, at a cost to the province of ₱4,194.02, or ₱699 per mile.

Bridges.—The insular as well as the provincial and country roads still need many bridges. During the fiscal year 2 steel bridges, costing ₱15,676.38; 2 of first-group timber, with 4 culverts, costing ₱3,440.38; 17 small ones of reinforced concrete, costing ₱5,519.57; and 12 of second-group timber, costing ₱1,898.26, were constructed in the province.

The construction of 2 iron bridges over the Dumaca and Yam rivers in the jurisdiction of the municipality of Lucena, and another of reinforced concrete over the Lagnas River in the municipality of Tiaong was commenced in April, 1907. Within a few months we shall be able to open these 3 bridges, which will cost the province more than ₱42,000.

Means of communication.—The telephone and telegraph lines have been working regularly during the past fiscal year. Only 9 of the 26 municipalities have neither telephonic nor telegraphic communication.

The central telephone office, with a good personnel of employees, is located in Lucena. The telephones in the municipalities are under the police, who are charged with receiving and transmitting communications. The telegraph stations are in Atimonan, Lopez, Guinayangan, Lucena, and Boac; the first 4 in charge of Filipino operators, and the last, of an American.

The mail system the past year has been quite deficient, as mail is received from Manila, at most, only twice a week, when it could be received daily by having the mail go from Manila to Bay in La Laguna province, and from Bay to Lucena by means of a good organization of mail carriers. This defect in the mail system continues up to the present, as the ordinary way is from Lucena to Manila by steamers. Mail is received regularly from the central towns twice each week, from the opposite coast three times a week, from those on this coast twice each month, and from those in the old district of Principe and Infanta once a month.

NATURAL RESOURCES.

Forestal.—First-group timber abounds in the towns of Alabat, Atimonan, Casiguran, Baler, Calauag, Guinayangan, Gumaca, Infanta, Lopez, Pitogo, Polillo, and Sariaya, and construction timber is found in almost all the towns of the province.

The municipalities of Alabat, Atimonan, Calauag, Guinayangan, Lopez, and Pitogo export all classes of construction timber, also pitch and mastic, to Manila.

Forestry receipts improved the financial life of these municipalities, but since these receipts were transferred to the internal revenue the municipal treasuries have been suffering greatly, especially that of Calauag, which can not make necessary improvements owing to lack of resources.

Mineral.—The mines registered during the fiscal year ended June 30, 1907, were 14 lode in Torrijos, 3 lode in Santa Cruz, and 7 coal in Polillo.

The sulphur waters of San Emilio and Malbog, in the municipalities of Tayabas and Gasang, respectively, have not yet been exploited. The latter town has filed an application in the court of land registration to register the land where the Malbog spring is located, but has not yet secured title of ownership.

Mineral water has also been discovered in the municipality of Tiaong which is supposed to have the same properties as the water of Los Baños in La Laguna.

FINANCIAL CONDITION.

The financial condition of the province was quite bad as compared with that of previous years. The following is a comparison of the total receipts and expenditures of the municipalities of the province during the years 1906 and 1907:

	Receipts.	Expenditures.	Balance.
1906.....	P211,762.76	P175,497.46	P 33,722.62
1907.....	209,952.41	189,721.78	20,230.63

There has been a balance in all the municipalities during the year, reaching the maximum of P8,189 in that of Guinayangan, and the minimum of P1.52 in Catanauan.

FUNDS FOR PUBLIC WORKS.

The following table shows the condition of the provincial treasury on June 30, 1908.^a

Public buildings.—The P30,000 which were added to the P60,000 appropriated by the insular treasury for the construction of the provincial government building and the P10,500 which were transferred to the school funds for the repair and conservation of school buildings, of which sum only P2,160 have been expended, are included in the receipts.

The municipal building will be entirely of pressed cement, reenforced with iron. Contract has been let for its construction, for P84,600, in three hundred days, excluding holidays, but owing to some changes and additions recently made to the plans I believe that the P90,000 will be entirely used.

Work was begun on this building about February 1 of the present year and is now very well advanced. Only the roof, the partitions to separate the different departments, and the painting are lacking. According to Machuca, the contractor, it can be opened on September 15 next.

Road and bridge funds.—During the year the receipts were P87,415.30, and the expenditures P56,367.90, leaving a balance of P31,047.40.

School funds.—During the year the receipts were P10,500, and the expenditures P4,380.31, leaving a balance of P6,118.69.

The receipts were by the transfer of general funds to the school funds, and during the year only P4,380.31 were expended for the repair of the high school and the purchase of furniture for the same.

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

POLITICAL AND RELIGIOUS CONDITIONS.

Religious conditions.—The most deeply rooted religion in the province is the Roman Catholic, although Aglipayanism exists in Lucban and Gasang, where they have their chapels, and Protestantism in Lucban, Mauban, and Sariaya.

The people of Tayabas know how to recognize religious liberty, and thus diversity of belief does not occasion any disturbances in administration.

Political parties.—In the general election of the past year political sentiment was divided, the majority of the central towns having been Nationalist, those of the Pacific coast Progressist, while those of the island of Marinduque, those on the China Sea coast, and those of the old district of Principe and Infanta were Independent.

This division of political ideas does not deter the people from continuing their field labors and tasks with more ardor, as they know the future of the country depends in a large degree on agriculture and intelligence.

In spite of the existence of political parties, they take an interest in helping the one elected in securing a brilliant and successful administration.

Municipalities.—This province is at the present time of the second class. It was composed of 24 municipalities, but by the constitution of Candelaria and Casiguran, independent municipalities, the former annexed to the municipality of Sariaya and the latter to Baler, it to-day has 26 municipalities. This change has been of great advantage to both municipalities. They now have clean poblaciones, the collection of taxes is carried on with more facility than formerly, complaints have greatly decreased, and, in a word, they are better administered than formerly.

There still remain 4 municipalities which were independent and are to-day annexed. These annexed towns are working for their own separation and independence, and I believe that these aspirations are just and proper, since they are almost abandoned by their parent municipalities.

In general, the municipalities are well administered, with just ordinances in harmony with the circumstances and resources of each of them.

Municipal police.—This body, charged with enforcing municipal ordinances and with guarding public order, renders the province, and especially their respective municipalities, good service.

The total cost of the maintenance of this body in the entire province for the year 1906 amounted to ₱40,385.63, and in 1907 to ₱34,041, a saving of ₱6,344.63, due to the reduction of personnel, is another proof that peace and tranquillity exist in the province.

Provincial and municipal elections.—The general and special elections held in 1907 and 1908 were truly hard fought, but orderly.

In the election of delegates there were less qualified voters than in the other elections as many did not comprehend the importance of the position of delegate they were very indifferent; but in the election for municipal and provincial officials nearly all wished to vote because they knew that the officials elected were to take charge of the local and provincial administrations which directly interested them.

PUBLIC HEALTH AND SANITATION.

Personnel of this department.—Of the 26 municipalities of which the province is composed 14 have presidents of boards of health and the remaining 12 have not, owing to lack of resources, but the president or a health officer appointed by the council takes charge of this branch. However, hygiene and cleanliness are enforced in all the municipalities by means of strict ordinances.

The sum of ₱5,915.88 from the municipal funds is annually expended in the entire province for salaries of the personnel in charge of the work of sanitation.

Food supplies.—In none of the towns is it permitted to sell meat, fish, vegetables, or fruits in the market without the proper certificate of the president of the board of health, the health officer, or the municipal president that they are in good condition. Markets and shops are inspected continually in order that all bad supplies shall be withdrawn from sale to the public and burned, those who sell rotten articles being fined from ₱5 to ₱10.

Water.—The majority of the towns do not have healthful water for public consumption, for which reason the people have always been advised to boil the water before drinking it. The construction of artesian wells to remedy this evil is very necessary, as, in the opinion of many doctors, it is one of the contributory causes of malaria and dysentery, especially in the municipality of

Tayabas. The provincial board is considering the most economical manner of opening this class of wells. Governor Sandiko, of Bulacan, has just offered to construct them at a cost of from ₱100 to ₱300 for each well; and if this is correct, I believe that the municipalities would be interested and would do what were possible with the aid of the provincial board to procure at least one well in each town.

Public cleanliness.—The municipalities having funds have established forces to clean the streets and public plazas daily. In the municipalities which can not do this owing to lack of funds, the people are charged with cleaning the portion of the street or plaza which is in front of their houses or lots.

In some towns the pail system has been adopted and in others public closets have been constructed in retired places, due precautions as to hygiene and cleanliness being observed.

Mortality.—The births during the fiscal year 1907 numbered 7,667, and deaths, 6,063.

In 22 municipalities there were more births than deaths and in 4 the number of deaths exceeded that of births.

The following is a comparison of the number of births with that of deaths in the years 1906 and 1907:

	Births.	Deaths.	Average percentage.
1906.....	8,747	6,279	72
1907.....	7,663	6,063	79

From this it is seen that there was a decrease of 12 per cent in the number of births as compared with the year 1906, and a decrease of 3 per cent in the number of deaths.

The principal diseases causing this mortality were malarial fever, malarial cachexia, pulmonary tuberculosis, infantile convulsions, and dysentery.

NONCHRISTIAN TRIBES.

The Philippine census shows the total number of this class of persons to be 2,803. There is no data which can give the actual or even the approximate number. Aetas, Ilongots, and Dumagats are the most common names of the non-Christian tribes in this province. The Aetas are scattered and are more numerous than the Ilongots and the Dumagats. They live in small families in the forests. The men are always armed with arrows. Their food is the product of the chase and from time to time they go to the fields, offer their labor in exchange for a very small wage, all of which they spend for vino, and without taking formal leave go away to rejoin their companions in the forests.

In Guinayangan, through the work of the municipal officials, a new barrio composed of Aetas has just been formed, with its lieutenant and substitute appointed by the councillor.

The Dumagats generally live in the forests near the sea. The majority of them are in Alabat, Mauban, and Polillo. They are more social than the Aetas, as many of them live in poblaciones and engage in field work. They are fewer in number than the Aetas.

The Ilongots are true savages. They are in the habit of committing assassinations and other classes of crimes in the roads and forests. There is quite a number of them in the forests and mountains of Infanta, Baler, and Casiguran.

The province has a special fund to improve the condition of these tribes; but up to the present the provincial board has found no opportunity of doing so. It is hoped, however, when the Aetas of Guinayangan and the Dumagats of Alabat, who show lively desires to become civilized, are prepared to give them a school and the necessary teachers for their children.

Respectfully submitted.

DOMINGO LOPEZ,
Governor of the Province of Tayabas.

The GOVERNOR-GENERAL.

Report of the Lieutenant-Governor of Marinduque, Province of Tayabas.

[Translation.]

OFFICE OF THE LIEUTENANT-GOVERNOR,
SUBPROVINCE OF MARINDUQUE,
Boac, July 8, 1908.

SIR: I have the honor to submit herewith the following report covering period from August, 1907, when I assumed the office of lieutenant-governor of this province, to June 30, 1908.

On August 14, 1907, as now, there was no public building in the capital in which the offices of the subprovince could be established. As a consequence the writer was obliged to rent some of the rooms of the house occupied by the municipal offices, for which the subprovince pays a monthly rental of ₱40.

It is true that a single room would be sufficient for the office of the lieutenant-governor; but as the subprovince is obliged to furnish offices for the court of first instance and the telegraph corps, the lieutenant-governor, besides his own office, rented other rooms in the municipal building.

The subordinate personnel of this subgovernment consists of a clerk and a messenger, and therefore costs but little. The writer believes this personnel sufficient for the work of his office, but that the subprovince should have a building of its own as soon as possible, for only in this wise can we avoid the necessity, which is now inevitable, of the subgovernment offices being located in the municipal building.

AGRICULTURE.

Although the implements of labor in use in all the civilized countries of the world are not yet utilized in any manner anywhere in the subprovince, it may be said that agriculture in this part of the archipelago is not behind the times. It is true that the rice—the principal food supply of the natives—grown is not sufficient for the subsistence of its 51,000 inhabitants, but, on the other hand, this deficiency is met by the great abundance of cocoanuts produced in the extensive coconut groves existing in the 4 municipalities composing the subprovince, especially in the municipalities of Boac and Gasan. The deficiency is also compensated by the abundant quantity of abaca produced throughout the whole subprovince, particularly in the two municipalities already mentioned. It is to be noted that from time immemorial the abaca from Marinduque has been considered as the best in the world, and has no rival, which is shown by the fact that it is quoted in all the markets to which it has been exported at a much higher price than that from other provinces of the Philippines.

The following tables show the agricultural conditions of Marinduque during the fiscal year ended June 30, 1908: ^a

EXPORTS AND IMPORTS.

In all the municipalities of Marinduque there are many small stores supplied with American, European, and native goods, but more especially in the municipalities of Boac, Gasan, and Santa Cruz, in each of which at least 10 Chinese stores are established. This does not mean that there are none belonging to natives or foreigners, as in Boac there are several native stores and in Santa Cruz a grocery and liquor store owned by a Spaniard. All the Chinese residing in the subprovince and not a few natives, as well as two Spaniards, one of whom is an agent of the powerful mercantile company called "Compañía General de Tabacos de Filipinas," are engaged in buying up abaca and copra, which they export to Manila and from there to Europe and America. Some few natives have been engaged, though only a short time, in buying abaca cloth, which they send to a German mercantile house in Manila, which in turn sends it to Germany. Rice is not shipped out of the subprovince, but all of it is sold therein for the subsistence of its inhabitants.

As may be seen, its principal export articles are copra or dried cocoanuts, and abaca in skeins or woven. The following table shows the export movement during the year.^b

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

^b A table showing imports and exports has been omitted and filed in the Bureau of Insular Affairs, War Department.

The imports consist principally of American and European textiles and rice, which are imported from Manila in considerable quantities and sold in the native and Chinese stores in the municipalities.

ECONOMIC RESOURCES.

Abaca, cocoanuts, rice, sinamay, neat cattle, horses, and carabao, also other agricultural products of small importance, such as rattan and swine, may be considered the resources of the subprovince. Of all these resources cocoanuts and abaca occupy the first place, although for the past few months the price of the last has notably decreased in Manila, to which it is exported in large quantities, and shows no tendency to return to its original value, for reasons not known, for from ₱28, at which a picul of abaca was originally quoted, it has gone down to only ₱17 at Manila. There has also been for some time past a decline in the price of copra, which recently has begun to rise, it now lacking but very little of its original price.

FINANCE.

The receipts of the several municipalities are about the same and are obtained from the following sources:

Personal cedula, municipal licenses, land tax, fisheries, stamps for the registry of cattle, rents, privileges and profits, fines, collections by the justices of the peace, cart tax, cemeteries, weights and measures. Speaking in general terms, all the municipalities composing this subprovince, after meeting the expenses of personnel and office supplies and paying all their teachers, have sufficient funds to undertake municipal public works, there remaining besides a small surplus in their treasuries.

PUBLIC INSTRUCTION.

The condition of public instruction in the subprovince is excellent. Many primary schools are established in all the municipalities, including, of course, those established in their barrios. Besides, in each of the municipalities of Boac and Santa Cruz there is an intermediate school where instruction is given by American and Filipino teachers and where there is a fair attendance of children of both sexes. All the primary schools, both in the centers of population and in the barrios, are conducted by Filipino professors. In Santa Cruz, besides the intermediate school, there is a school of arts and trades attended by about 100 pupils, and there is also a building under construction intended for the school of domestic science. In general, all the pupils are diligent, so much so that at present and in spite of the short time they have been studying many of them already do work of considerable importance. There is absolute need of the establishment of a high school in the subprovince for those who have finished their studies in the intermediate schools of Boac and Santa Cruz, for the benefit of the children of poor parents who have not the means to send them to the high school at Lucena, the capital of the province, or to that of Manila. It is absolutely necessary that the teachers' normal school, which meets once a year, be held in Boac, the capital of the subprovince, or in some other pueblo of the same, instead of Lucena.

The following table shows the number of schools and that of the teachers and children who attend the schools of the different municipalities of this subprovince: ^a

INDUSTRY.

No other industries are known than those of the manufacture of textiles from abaca, or sinamay, and just and that of buri hats. The manufacture of textiles, which is very general, is by looms run by hand.

MANUFACTURES.

The looms just above mentioned, plows, apparatus for fishing and for hulling rice, bolos, etc., are manufactured in the subprovince, also by hand, without the aid of any machinery or mechanical device.

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

NATURAL RESOURCES.

The public forests furnish timber of different kinds for building purposes and cabinet making, although they do not constitute an important source of revenue, as in Mindoro, Tayabas, and other provinces. Firewood, known by the name of "raja," is also taken from the forests, especially in the municipality of Santa Cruz, from whose mangrove swamps rajas and rajitas are obtained in great abundance and exported to Manila. Rattan for binding is likewise gathered, also hagnayas for tying together the posts of fish weirs. As for mines, there is one in the barrio of Bolo of the district of the municipality of Torrijos, which is being worked by an American named Coke, who says that it contains gold and silver.

POLITICAL CONDITIONS.

No political party or faction exists anywhere in the subprovince.

HEALTH AND PUBLIC SANITATION.

The matter of health is intrusted in the different municipalities to the municipal boards of health established, under the presidency of a licentiate in medicine at Boac and of practitioners of surgery in the remaining municipalities. It is desired that all these boards should be presided over by licentiates in medicine, for no one can overlook the enormous difference between a licentiate in medicine and a practitioner of surgery. I shall strive for this purpose, and will suggest, at least to the municipality of Santa Cruz, the most populous of those of the subprovince, that if it has sufficient funds to maintain a president of the board of health with a diploma of licentiate in medicine it vote the sum of ₱1,000 for said purpose in the appropriation for the coming year. The public health in the whole province is excellent.

PUBLIC WORKS.

Although the roads and bridges are generally in good condition, there is need of repairing some.

TELEPHONIC SERVICE.

When I took charge of my office the telephone line uniting all the municipalities of the subprovince was frequently out of order, owing to the little care exercised by those charged with inspecting and repairing it when necessary, but at present there is an intelligent telephone operator who periodically goes over the line to inspect it and repair it and the telephones, and owing to this fact the present service is excellent and leaves nothing to be desired.

Respectfully submitted.

J. NIEVA,

Lieutenant-Governor, Subprovince of Marinduque, Tayabas.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF LA UNION.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF LA UNION,
San Fernando, July 10, 1908.

SIR: I have the honor to submit herewith my annual report for the fiscal year ended June 30, 1908.

AGRICULTURE.

Rice is the article of general planting in this province, whose lands are, for the most part, given over to the cultivation of this cereal, although the farmers and landowners encounter some difficulty in improving their lands, either because of the lack of sufficient work animals, of a good system of irrigation, or of good agricultural tools.

There are several kinds of rice planted, but all may be included in the two classes, late and early. The first is customarily planted in May, June, and

July on mountains and highlands unprovided with irrigation ditches, and is harvested in October and November. The second, or late rice, is planted in July and August on lowlands, or those which have some sort of irrigation ditches, and is harvested in the months of December and January and up to the middle of February.

Each of them has its advantages and disadvantages, as for instance during the last harvest of this cereal, by reason of the early close of the rainy season (the rains stopped during the middle of September), the harvest of late rice was very greatly injured, while no injury was done to the harvest of early rice, for when it ceased raining the grain was ready to reap. It is noted, however, that the majority of the farmers prefer to plant late rice, which they believe yields better than the early.

The regular annual crop is considered sufficient for local consumption, but for the past ten years there has been noticed a continual decrease in the regular crop, owing perhaps to the causes mentioned in the preceding paragraph.

The following table gives the per cent of decrease in the rice crop in each municipality at the last harvest, according to data furnished me.*

Property is distributed in such manner that it may be said that with very few exceptions each family is generally the owner of a piece of land more or less extensive in area and more or less cultivatable according to its situation.

Some pueblos, through their municipal councils, have forwarded petitions to the provincial board soliciting the starting of voluntary subscriptions of money and labor for the purpose of collecting funds to defray the cost of the construction of dams and the digging of irrigation ditches, which were denied by the provincial board as being contrary to executive order No. 20 issued by the governor-general.

Among the different plants sown in this province tobacco occupies the second place, as the soil is generally adapted to its cultivation, although a certain indifference is noted on the part of some planters who from year to year have become discouraged from planting much tobacco.

One of the reasons, I believe the principal one, why the farmer does not devote his entire effort to the cultivation of tobacco is the want of a market where he can sell his product to better advantage than to the *Compañía Tabacalera*, as the amounts realized at its present selling price scarcely compensates for the expenses and labor expended by the farmer.

This year much tobacco has been planted in comparison with the previous crop, but owing to the early fall of heavy rains and the typhoon that occurred in May the harvest has been greatly injured, and the increase of production that was expected, estimated at 15,000 quintals, has been lost.

Other products are also harvested, such as sugar, copra, maguey, corn, cotton, and others which as yet have not attained the importance of being articles of commerce on a large scale.

PUBLIC INSTRUCTION.

The progress attained in education is highly satisfactory and is due principally to the zeal and activity of the teachers, both American and Filipino, who have vied with each other in performing their duties.

The municipal officials have exerted great influence in securing a larger percentage of attendance of the children in the schools during the present school year.

During the school year of 1907-8 manual labor, consisting of the manufacture of baskets, rattan whips, linen textiles of different colors, and embroidery of various kinds, was performed not only in the primary, but also in the intermediate schools.

The schoolhouses in the towns and barrios of some municipalities are in an undesirable condition owing to the deficiency in the school funds. Three municipalities have no building of their own for the central school, and occupy rented houses. The schoolhouses in the barrios are generally provisional and constructed by voluntary free donations of the residents thereof, and do not last more than two or three years.

Gardens have been laid out in all the primary school grounds and the children practice the setting out and care of plants of some utility with excellent results, especially in the gardens of the schools of Aringay, Tubao, and Balaoan.

* Omitted and filed in the Bureau of Insular Affairs, War Department.

The construction of a building in this capital for the school of arts and trades has recently been completed, and only the accessories are awaited, as well as the appointment of a special teacher, to open it to the public.

Since the establishment of the intermediate school in this capital, 75 pupils have graduated in it, of whom the majority were employed as school teachers, some entered the civil service, and some are finishing their studies in the secondary school or in some other special school. All the municipal teachers employed to-day in the schools of this province, with few exceptions, are natives and residents of the same.

The following table shows the progress attained in public instruction in this province during the fiscal year 1908:

	Enrolled in 1907-8.	Monthly average of students enrolled.	Percentage of attendance.	Number of schools.	Number of teachers.		
					American.	Insular.	Municipal.
Secondary.....	10	9	100	1	1	0	0
Intermediate.....	466	418	97	3	9	3	0
Primary.....	10,510	7,814	91	52	16	9	109

COMMERCE, INDUSTRY, AND MANUFACTURES.

Agricultural products make up the principal articles of commerce, and the value of those exported to the different provinces of the archipelago scarcely balances those imported.

As a rule the commerce of this province is in the hands of the Chinese and the Macabebe, Ilocano, and Pangasinan traders who, on every holiday or market day, set apart for each municipality alternately, visit the pueblos to sell their goods.

Tobacco, rice, sugar, dried fish, salt, textiles from Ilocos, and basi are the principal commercial articles of the various localities. The amount of tobacco bought by the Compañia Tabacalera during the present year has been estimated at 40,000 quintals, the value thereof, at ₱8.75 a quintal, being ₱350,000.

In the pueblo of Bangar, blankets, towels, and napkins similar to European weaves are woven on the antiquated loom made of wood and a cord. Small dragnets, ropes, native hats, mats, bayones, textiles of bamboo and others only for domestic consumption are also manufactured.

In the pueblos of Santo Tomas and San Fernando salt is produced by ebullition and exported to the other municipalities and to the adjoining provinces of Ilocos Sur and Pangasinan. There are two tobacco factories in the pueblo of Aringay and another in that of Bangar, and their products are sold for local consumption and are exported to the provinces bordering on La Union. Sugar mills run by steam are in operation in the pueblos of Agoo, Aringay, San Juan, and Bacnotan, and antiquated wooden mills are used in all the municipalities of this province for the manufacture of panocha and the spirit called basi.

ECONOMIC CONDITION.

Owing to the decrease this year in the rice crop, the economic condition of the province was not very satisfactory, and the municipalities are undergoing a real monetary crisis.

Economy has been practiced in various municipalities by the consolidation of some of the municipal offices, as that of the secretary with that of the municipal treasurer, but in practice it has been observed that such consolidation has not given good results, and in consequence the provincial board amended its previous resolution, separating these offices, at the request of the municipalities.

PUBLIC FINANCES.

The following table, furnished by the provincial treasurer, shows the financial status of the province during the fiscal year ended June 30, 1908: *

* Omitted and filed in the Bureau of Insular Affairs, War Department.

NATURAL RESOURCES.

In the forests of this province are various classes of trees of much value for lumber, the best and most known being molave, narra, ipil, salangen, callot, banaba, calantas, and others of very hard wood used in the construction of buildings, bancas, and other craft of small draft.

In the forests of the pueblo of Rosario are large quantities of timber which, owing to the lack of good facilities for its transportation, have not yet been utilized.

For many years past forest fires have been the cause of the loss of many trees good for lumber in the forests and most accessible places where carabao could be used for hauling, and with the view of putting an immediate stop to this species of destruction I have, in various circulars, recommended to all the municipalities the active and energetic prosecution of the violators of the forest act, absolutely prohibiting the cañigin or destruction of timber by fire unless the provisions of said act are observed in soliciting permits to cut timber.

In all the coast towns, and especially in the pueblos of Bacnotan, Luna, Santo Tomás, and San Fernando, large quantities of calcareous stone are found and used in making lime and in masonry construction. In the pueblo of Santo Tomás fine shells are found in abundance, which when properly prepared are utilized for house windows.

At present no mines are known to have been discovered in this province, although it is believed that in some places there is undeveloped ore.

IGOROT SETTLEMENTS.

All the Igorot settlements having been separated from this province and annexed to those of Lepanto Bontoc and Benguet under the provisions of Act No. 1403, there are at present no Igorot settlements therein, notwithstanding the fact that the jurisdictional boundaries between some of the said settlements and this province have not yet been finally determined, and in order to avoid frequent friction between the municipal authorities of the said provinces and those of La Unión, on which these settlements border, it is necessary that the boundaries between the said settlements or provinces of Lepanto Bontoc and Benguet and this province be immediately established.

MUNICIPAL POLICE AND VOLUNTARY FIREMEN.

At present the municipal police of La Unión is composed of 104 men, the average salary of each member being ₱14.61 per month.

The corps of volunteer firemen was also organized under the provisions of Act No. 1733, and the municipalities are at present provided therewith.

CONSTABULARY.

The constabulary force of this province consists of a captain, a first lieutenant, a subinspector, and 41 privates distributed among the stations of San Fernando, Rosario, and Tagudin.

It is armed with the new Krag rifle, caliber .30, and Colt's revolver, caliber .45, and the proper equipment.

It has constantly rendered efficient and valuable services throughout the entire province, which has been practically free from any organized band of ladrones during the fiscal year.

The constabulary force, assisted by the municipal police of La Unión, made important captures of ladrones, one being that of Benito Aberin; Fernando Estabillo and 3 other ladrones, who had assaulted, robbed, and murdered the employees of the Compañía Tabacalera, who were conveying money from San Fernando to Naguilian.

On the whole, the constabulary, with the municipal police as organized and directed at the present time, perform the services commended to them to the great satisfaction of the residents of this province.

PROVINCIAL JAIL.

The provincial jail is at present in a satisfactory condition, and on June 30 last there were confined therein 23 prisoners.

No death or sickness occurred in the jail during the fiscal year, and the prisoners are employed in the cleaning of the public square and the provincial

buildings, and there is a scheme under consideration by the provincial board to employ them in the manufacture of some class of commercial articles for the benefit of the provincial treasury.

PUBLIC WORKS.

The following municipal and provincial works were planned or completed during the year:

A building for the provincial school and one for the school of arts and trades in the municipality of San Fernando were completely finished. The iron bridges of the barrios of Paycop, of the municipality of Bauan and Ciruelas, of the municipality of Aringay, as well as the provincial roads from San Fernando to San Juan, and from San Fernando to Bauan, and the bridge of last-named municipality, situated in the barrio of Santiago, are under construction. Four kilometers of the road along the coast from San Fernando have been paved and a road gang has been established to keep the same in repair.

In the municipalities the presidencias of San Fernando, San Juan, Aringay, Bacnotan, and Bauan are under construction, and that of Balaoan and the school building of Agóo are being repaired.

POLITICAL CONDITIONS.

The elections for representatives for provincial and municipal officials, held on July 20 and November 5, 1907, respectively, were hotly contested and were peaceably conducted.

On assuming my duties I did all within my power, as far as practicable, to blot out the old grudges resulting from the electoral contests, but unfortunately there still exists a clandestine movement which aims to render futile my efforts for good government and administration and for the material and moral progress of the province.

The pueblos of Bacnotan, Agóo, and Luna are most affected by political and party questions, and in consequence several complaints of abuses and maladministration on the part of some municipal officials of Agóo and Bacnotan were investigated by the provincial board.

The official relations existing between the military authorities stationed at Camp Wallace and the provincial and military authorities of La Unión could not be more cordial, harmonious, and satisfactory.

During the fiscal year 161 criminal cases were begun, 94 were tried, 38 dismissed, and 77 are awaiting decision.

PUBLIC HEALTH AND SANITATION.

Public health was satisfactory before the appearance of cholera, which first appeared in the pueblo of Agóo in June, although the number of cases was not alarming, the provincial board having adopted the necessary precautions and measures to check it. From May to October intermittent fever generally reigns, especially in the pueblos of the interior where the salubrious sea breezes are not felt, and some of the patients affected thereby during this time are in the habit of removing to the seacoast pueblos to take sea baths as a cure.

Some diseases, such as smallpox and beriberi, appear especially in the hot season, but nearly always in a mild form, and scarcely ever result in many deaths. Vaccination was performed in all the pueblos by the president of the board of health of each municipality.

In May of this year 55 lepers were gathered together and sent to the island of Cullón, there being now in the province but a very small number of sufferers from leprosy, who succeeded in escaping when the collection above mentioned was effected.

A pharmacy from which medicines can be supplied in cases of urgent necessity is greatly needed in the province, as the residents thereof are compelled to get their specifics from the province of Pangasinan or from the drug stores of Manila and in many cases the medicines do not arrive in time.

CONCLUSION.

I have the honor to suggest the establishment of a system of irrigation and that a general permit be granted to the municipalities to collect voluntary subscriptions for the construction of dams and irrigation ditches.

Respectfully submitted.

S. ZANDUETA,

Governor of the Province of La Unión.

The GOVERNOR-GENERAL.

REPORT OF THE GOVERNOR OF ZAMBALES.

[Translation.]

OFFICE OF THE GOVERNOR,
PROVINCE OF ZAMBALES,
Iba, July 13, 1908.

SIR: I have the honor to transmit herewith my report for the fiscal year ended June 30, 1908.

GENERAL CONDITIONS.

The province, composed of 8 municipalities during the first six months of the fiscal year, was increased in the second half of the year by 2 municipalities, by reason of the reorganization of the former municipalities of Cabangan and San Felipe. In the first period the provincial administration was intrusted to a board composed of two Filipino members, and the third, the provincial treasurer, an American; and during the second it was directed by a board genuinely Filipino by the appointment of a Filipino treasurer; but in the one, as well as in the other, the action of the provincial board has been opportune, to the point, happy, and fortunate, the following transactions, which were crowned with the most complete success, meriting special mention, to wit:

The increase of the personal cedula for the calendar year 1908, unanimously accepted by the people; the donation by the insular government of ₱40,000 for the construction of permanent bridges and culverts, which are at present being built; another donation by the insular government of ₱10,000 to increase the funds destined for the construction of the high school, which will soon be completed; another donation by the insular government of ₱1,000 for the education of the members of the non-Christian tribes, and the consequent establishment of the industrial and agricultural school in the non-Christian settlement of Villar, Botolan; removal of the offices of the provincial government to the provincial jail building, duly repaired and put in order; cancellation of the debt of ₱10,000 and its application to provincial improvements in the discretion of the provincial board.

This practical and positive result has exceeded the hopes of the people and sets a worthy precedent in the administration of Zambales, which will serve as a powerful stimulant and incentive in the progressive course of provincial government.

The province, in addition to the 3 members of the provincial board, bears the expenses of a fiscal and of a health officer of the third health district.

AGRICULTURE.

The rice crop was poor, and while some municipalities gathered an abundance others suffered considerable losses, but the general loss in the entire province may be estimated at an average of 40 per cent.

According to the data obtained from the municipalities, the 1907 palay crop was as follows: ^a

The provincial government has adopted the following to prevent the effects of famine. Owners of granaries have been counseled not to export all their grain, and there is therefore in the province a sufficient quantity of palay for the consumption of the inhabitants, although the increased price, as palay is constantly quoted at ₱2.50 a cavan and rice at from ₱5.50 to ₱6 a cavan, causes fear that the sinister specter of famine may show itself in the municipalities of Iba and Masinloc. The planting of corn, camotes, and other plants of immediate utility, the products of which now serve to aid the proletariat, was suggested to the municipalities and was successfully seconded.

The following table shows the respective quantities produced: ^a

The disease of work animals, which is already of an endemic character in the province, has made great havoc in the southern towns, which were fortunate with their palay crop.

The following table of mortality is horrifying, bearing in mind the very high price of each head of work animal and the consequent loss or damage to agricultural work. ^a

The price of a first, second, or third class carabao is not less than ₱125 per head in Zambales, neat cattle are quoted from ₱40 to ₱60 per head, and horses at the same figures.

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

The total loss of work animals amounted, approximately, to ₱182,850.

The foot-and-mouth disease, which, although milder than the rinderpest or epizooty spreads with the same facility, and prevents the use of work animals in the fields, appeared in the southern towns and is now present in Subig, San Marcelino, San Narciso, San Felipe, and Cabangan.

A rigorous quarantine established between Botolan and Cabangan has prevented and prevents the propagation of the disease toward the northern towns.

To increase the misfortunes of the poor farmer, the plague of locusts appeared in the province after more than three and one-half years that it had been free from them. The first and sole cloud of them, which appeared the last days of May, left their eggs in the different municipalities where there are to-day great bands of hoppers which devastate the fields, destroying all they encounter; but the people and the municipalities are making constant and decisive efforts to exterminate them.

The following table shows the quantity of locusts and hoppers destroyed in the province of Zambales in a short period of time, scarcely a month: ^a

Notwithstanding these calamities the farmer does not despair, but engages in planting cocoanuts and maguey, plantations which at no distant day will be elements of life and prosperity to the people of Zambales.

COMMERCE.

As a corollary to the calamities which agriculture has been suffering, there necessarily had to follow a frightful depression in mercantile transactions.

The palay exported amounted to less than half of that of the previous year, doubtless due to the fact that the palay crop having been less, the local price has not gone below ₱2.50.

The exportation of timber, which had been a flourishing business in the province, was also very small on account of the mortality of animals.

All the municipalities engaged in the business of getting out ties, which was handier and easier to do, thousands of them being taken to Manila, but the disillusionment of the dealers was greater when they did not succeed in selling them, and if they had sold them it would have been at a loss of 25 per cent of their cost. There are thousands of abandoned ties in the mountains and in some ports of the province.

The same difficulties in transportation have diminished the exportation of rattan, which also did not meet with a good price in the market.

If it had not been for the great works undertaken in Olongapo and Subig, the other products of commerce and industry, such as rice, chickens, eggs, greens and vegetables, dried fish, bamboo, nipa, rattan, mats, and sacks, products which it was possible to sell at a good price, but in small amounts, would not have found any market.

The market of Olongapo is the only center of transactions where consumption and demand have reached large proportions. Products of commerce and industry go there from Manila and other provinces; but, on the other hand, this mercantile activity in Olongapo is offset by paralyzation of business in the other towns, and merchants complain of the lack of sale for their products, the greater part of which are imported.

INDUSTRIES.

This is the branch of public wealth which has not undergone any change in the province which would or could signify progress.

The industries of Zambales are the same mentioned hitherto in previous annual reports of the provincial governors, such as the manufacture of Ilocano cloth, tanneries, saddleries, shoemaking, tailoring, the making of mats, nipa for roofing houses, sacks, baskets, hats, fish hatcheries, fish nets, and fish corrals.

MANUFACTURES.

There are in the province 2 rice-hulling machines. The one in San Narciso has steam power and the other, in Santa Cruz, recently constructed, is a hand-power machine. There are also 2 lampong tobacco factories.

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

NATURAL RESOURCES.

The province is splendid in forestal products, and first-group timber, such as molave, vacal, narra, acle, etc., abounds. If the exploitation of Zambales timber has not been good and lucrative for the merchant during the fiscal year 1908, a large quantity has been gotten out of the forests for the construction of houses in the province itself. The greater part of the timber employed at present in the construction of the Zambales high school was cut in the mountains of the province.

None of the mines hitherto registered has been worked, nor was any mine registered during the fiscal year 1908.

NONCHRISTIAN TRIBES.

A school for boys has been constructed in the rancheria of Villar and an industrial and agricultural school for them and their fathers. One teacher is engaged in the education of the boys, and an Ilocano husband and wife teach field work, the manufacture of Ilocano cloths, and the art of fishing in the rivers. For this instruction the rancheria of Villar has 2 carabaos, 1 American plow, 1 native harrow, a cart, 2 looms with equipment and the necessary cotton, 1 cart net, and other equipment for fishing.

The very satisfactory practical results which both are giving is one more confirmation of the conviction, which has been held since the beginning, that such tribes in Zambales are susceptible of a progressive social reconstruction in their usages and customs.

The population of the rancheria of Villar is increasing from day to day; and the progress of its inhabitants in their manner of living is the envy of other rancherias, which have already expressed their desire to be included in the beneficent work of the government.

PUBLIC HEALTH AND SANITATION.

The only discordant note during the fiscal year was the appearance of cholera in the municipality of San Narciso. The sporadic cases which occurred in the municipalities of Cabangan and San Marcelino were simply cholera morbus and can not be considered as true cases of cholera. The first case of cholera occurred January 12, 1908, and it was completely stamped out by the latter part of February.

The following table shows the cases and mortality from both diseases, with a statement of the number of births and the number of deaths from common diseases.^a

That the cholera in San Narciso did not spread to the other municipalities of the province was truly providential, but must primarily and principally be attributed to the timeliness, rapidity, and efficacy with which medical, dietetic, and hygienic aid was rendered.

Two cases of smallpox occurred in San Narciso which, because of their mildness and the measures of isolation and quarantine, were not propagated.

Sanitation and health are good in all the municipalities.

ECONOMIC MATTERS.

Notwithstanding the financial panic caused by the bad crop of the product of prime necessity and the mortality of work animals, which produced deep depression in commerce, agriculture, and industry, the receipts exceeded the estimates of the provincial board on forming its budget for the fiscal year.

	Estimate.	Collected.	Excess.
General funds.....	P20,246.09	P24,559.57	P4,313.78
Road funds.....	5,849.54	21,868.89	16,019.35

This excess in road funds is due to the increase in the personal cedula for the year 1908.

^a A table showing births and deaths has been omitted and filed in the Bureau of Insular Affairs, War Department.

The progress of the province in economic matters is shown even better in the following comparative tables of the receipts and expenditures for the fiscal years 1907 and 1908.^a

The most important public works undertaken during the year were the completion of 5 culverts with double openings 24 inches in diameter, 2 concrete culverts with a single opening 24 inches in diameter, 3 concrete bridges, one 15 feet in length and the other two 10 feet in length. The construction was almost completed of the Iba High School, a magnificent building, solid and modern, and the repair and alteration of the old provincial jail building, which was arranged for the offices of the provincial government about the middle of April.

In addition to these permanent improvements many repairs have been made on the bridges and culverts, and some have been constructed of wood.

The handsome and solid concrete bridges are the object of admiration on the part of the public and of the most complete satisfaction on the part of the provincial government.

In closing this chapter the great economy which the provincial board of Zambales has exercised in its general expenses during the fiscal year should also be mentioned.

The municipal treasuries were found in the same condition and under the same auspices as at the end of the calendar year 1907, and after having made some important permanent improvements during the year, they had quite large balances, as can be seen in the following table:^a

PUBLIC INSTRUCTION.

All the towns as well as their barrios have striven to have good buildings for the public schools, and there are various projects of construction. When school funds were not sufficient for the needs of instruction the general funds were nearly always sacrificed by transferring to school funds large amounts of their savings. To prove this disinterestedness it is sufficient to cite the transfer made by the municipality of Iba of ₱1,500, that by San Marcelino amounting to ₱1,700, that by Cabangan of approximately ₱600, and that of San Narciso of ₱500, more or less. The other municipalities, even the poorest, did not skimp their aid in dealing with the needs of the schools.

The preceding transfers of general funds to school funds during the municipal fiscal year of 1908 have worthy precedents in the school division of Zambales, which has never complained of the decided cooperation of the municipalities.

The insular government giving abundant aid, there is at present a magnificent building under construction in the capital, Iba, for the high school. Contract for the work has been let at ₱26,000, in addition to the ₱600 for the expenses of inspection. It is hoped to have the building finished and in condition to be used for teaching the first of the coming October.^b

PUBLIC PEACE AND ORDER.

Public peace, order, and tranquillity during the year have been excellent. There were no proscribed organizations of any class, nor has there been any case of assault or robbery by an armed band—a very happy fact, revealing the peaceful character of the people of Zambales and the efficiency of the guardians of public order and security.

Public order and security in Zambales are intrusted to the mutual cooperation of the municipal police and the constabulary. The municipal police in the entire province was composed of 103 members, at an expense of ₱9,425.58.

General regulations on good discipline and instructions on police service have guided and governed the members of the municipal police, under the immediate inspection of the senior inspector and captain, with the higher supervision of the governor of the province.

The constabulary was composed of one company of a few less than 50 members, under the command of a senior inspector and captain. The company was divided into two detachments—one stationed in this capital, Iba, and the other in the municipality of Santa Cruz, at the extreme north of the province. The latter detachment was under the command of a subinspector.

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

^b A table showing funds available, enrollment, and attendance has been omitted and filed in the Bureau of Insular Affairs, War Department.

The constabulary of Zambales, more attentive to the practical services of true police, has directed its efforts particularly toward conserving peace and to protecting life and property; to secure this laudable end two patrols, one from the north and another from the south, constantly visited the towns of the province and the remotest barrios, periodically changing route and direction.

The constabulary has also rendered efficient aid in maintaining and conserving the quarantines which were established on account of the appearance of cholera and the repeated invasions of the disease of large cattle. It likewise aided in guarding provincial prisoners when, because of the number of them, the provincial guards were not sufficient.

As a special event in the police service, a theft of carabaos occurred in one of the northern towns of this province; but fortunately the constabulary of Zambales succeeded in capturing the 5 thieves and recovered the 11 head of carabaos. The thieves were from Pangasinan.

Because of this and the excellent services rendered to the cause of public order and safety, the constabulary of Zambales has merited the sincere applause of its people, relations of friendship and mutual confidence existing between both. These relations are still more excellent, sincere, and frank as to provincial and municipal officials.

RELIGIOUS QUESTIONS.

A few words, in closing, about religious questions in Zambales.

The religious crisis which, in the form of a violent religious intolerance, developed in Zambales because of the arrival of the clergymen of the Roman Catholic Church, was rather political than religious in character. Religious prejudice was not, in fact, the reason for the disturbance of the peace in religious matters, but erroneous estimates, or false, mistaken, and unsupportable positions in which the two contending bands placed themselves, or in which they were placed, and which attributed to themselves virtues and prerogatives which they were far from meriting.

The struggle having been begun, laziness, intrigue, and competition have played a great part, a boycott having been declared not only in religious, but also in social and political matters; but even so, thanks to the measures of repression, persuasion, and admonition, it has not had the increase that was feared, nor has it affected public tranquillity and order, its most disagreeable consequences being the much-talked-of occurrence in San Narciso, which resulted in the suspension of the municipal president of the town.

Respectfully submitted.

GABRIEL ALBA,
Governor of the Province of Zambales.

The GOVERNOR-GENERAL.

EXHIBIT No. 3.

REPORT OF THE AUDITOR FOR THE PHILIPPINE ISLANDS.

PART I.

MANILA, September 24, 1908.

SIRS: Complying with the requirements of existing law, I have the honor to submit this the eighth annual report of the fiscal affairs of the government and its political subdivisions for the fiscal year ended June 30, 1908, showing in brief the balance sheet of the insular government at the close of business June 30, 1908, compared with June 30, 1907, a statement of unexpended balances of appropriations represented by funds in the hands of the insular treasurer and in the hands of collecting and disbursing officers; the income and expenditures of the insular government; the surplus account, appropriated and unappropriated; the capital operations of funds, the property of the government whose transactions do not affect the available surplus except as noted; the operations of the congressional relief fund, the gold-standard fund, the friar lands sinking fund, expenditures from the proceeds of public works and permanent improvement bonds, the operations of sundry trust funds; the fiscal operations of the city of Manila, and a summary of the fiscal operations of the provinces for the year ended June 30, 1908, and the municipalities for the year ended December 31, 1907.

REVENUE FROM TAXATION.

The income from taxation collected by this government and its political subdivisions during the fiscal year was as follows:

Insular government.....	₱21,018,965.67
Provincial governments.....	4,442,381.36
City of Manila.....	1,572,756.46
Municipal governments.....	2,116,125.00
Total.....	29,150,248.49

or according to the census of 1903 the sum of ₱3.82 (\$1.91 United States currency) per capita for each inhabitant of the islands.

The fiscal affairs of the provinces and municipalities are treated in Part II of this report, which by reason of the general local interest is published in the Spanish language only.^a

CHANGES IN THE ACCOUNTING SYSTEM.

Under authority contained in Act No. 1792 of the Philippine Commission, enacted October 12, 1907, the ordinary commercial system of audit before payment, as practiced by large corporations in the United States, has been applied to the disbursements of the government. Under this system the chief of bureau or office or his duly authorized subordinate is directly responsible for the expenditures of the bureau. Warrants against the appropriations are drawn by him and countersigned, *after audit*, by the auditor or his duly authorized representative; the warrant, after such counter-signature is then to all intents and purposes a bank check, and circulates quite as freely. As all of the banks through whom the bulk of warrants come to the insular treasurer for payment are under heavy bond to the government, the ordinary business rules regarding indorsements are accepted. At the close of business June 30, 1908, over 13,000 warrants aggregating the sum of ₱2,713,611.40 were outstanding, evidencing in some degree the extent of their circulation among the business public. Generally speaking, warrants are transmitted by the bureau direct to the auditor for audit, counter-signature, and remittance to the creditor, but a great many are delivered direct to the creditor of the government and by him presented for audit and counter-signature; no

^a The Manila edition of Part II of this report was printed in Spanish only.

complaint against this procedure has come to the knowledge of this office. The delay on an ordinary voucher is not more than a few minutes. More time is taken necessarily upon vouchers covering invoices of supplies or reimbursement for long and complicated pay rolls. All payments for services except labor pay rolls are indexed against duplicate payment; indexing against duplicate payments for supplies is impracticable, the check in that case being the supplies themselves, and the first subsequent audit of the property account of the bureau concerned develops such duplicate payment.

The accountability for property of the government is now vested in the chief of bureau or office, and the audit of property accounts is performed at the office of the bureau interested. Expendable supplies are distributed as expended under the proper classification caption of expenditure. Provision has been made by appropriate legislation for the establishment of a reimbursable appropriation for the purchase of supplies in every bureau whose functions necessitate carrying a large store of expendable supplies. As property has been heretofore carried by article without reference to its cost, the work of pricing the equipment and stores of the various bureaus and offices of the government has progressed slowly. As in the case of commercial audit, the bureaus' inventories are accepted subject to subsequent review.

The administrative expenditures of bureaus and offices show a net increase for the year of ₱1,988,994.67, including the sum of ₱717,532.71 for permanent improvement (capital) purposes. It appears to the writer that better economic results would be achieved were all expenditures for permanent improvements, including new equipment, made the subject of a separate appropriation bill from that carrying the current administrative expenses of the government. In other words, current expense of operation and maintenance is necessary and can not be reduced beyond a given point without a corresponding decrease in the efficiency of the service, while expenditures for capital purposes as distinguished from expense purposes may be increased or decreased, having due regard to the state of the finances of the government.

LOCAL AUDIT OF CUSTOMS REVENUES.

On November 1, 1907, after the enactment of Act No. 1792, authorizing and establishing the pre-audit of expenditures system, a division of this bureau was established in the bureau of customs to apply pre-audit to the collections at the port of Manila. The plan had the approval and cordial cooperation of the insular collector of customs, and has proved efficient and economical, to say nothing of the more adequate audit afforded and the convenience to importers who get final results upon liquidation of their entries. Separate and independent records of all transactions affecting the customs revenues, as well as merchandise accounts, are kept in this division and checked daily with the records of the collector. By this plan the voluminous financial and merchandise reports theretofore prepared by the bureau of customs and transmitted to the auditor for examination and audit are abolished, the original papers in every case being coursed through the assistant auditor's office, and the necessary record made therefrom. Guaranty deposits are deposited by the collector directly into the treasury and necessary refunds made by warrant drawn by the collector and countersigned after audit by the assistant auditor. Under this system illegal use of this fund could only be achieved by collusion so extensive as to make its immediate detection a certainty.

PRINCIPAL ACCOUNT.

The property of the government other than cash is being brought into account under this title as fast as practicable. It is hoped to complete the work during the next fiscal year, to the end that all property of the government, whether real or personal, excluding the public domain, may be brought into account and its existence determined at least once during each year. The cost value of public works is also carried in this account, to the end that statistics may be available showing the cost of maintenance in each case. (See account on p. 519.)

The balance sheet of the insular government at the close of business.

	June 30, 1908.	June 30, 1907.
ASSETS.		
Cash in the treasury and depositories.....	P 44,342,678.86	P 50,117,681.94
Cash in the hands of collecting and disbursing officers.....	2,747,346.25	2,465,673.69
	P 47,090,025.11	P 52,583,355.63
Real estate.....	13,910,929.41	13,903,257.21
Permanent improvements, including equipment brought into account.....	9,607,673.55	5,475,634.44
Current assets:		
Moro Province, account current.....	47,570.05	654,304.99
City of Manila, Luneta extension loan.....	250,000.00	454,378.28
Due from United States mints (gold-standard fund).....	3,380,341.77	4,039,573.34
Due from Philippine Railway Co. (interest advanced).....	113,418.07	
Bonds and mortgages.....	1,572,673.86	
Supplies (unexpended).....	3,148,817.92	
	8,512,821.67	
Total.....	79,121,449.74	77,110,503.89
LIABILITIES.		
Bonded debt:		
Gold-standard fund certificate.....		2,000,000.00
Friar-lands bonds.....	14,000,000.00	14,000,000.00
Public works and permanent improvement bonds.....	7,000,000.00	7,000,000.00
Silver certificates outstanding.....	21,000,000.00	23,000,000.00
Depository funds.....	18,883,699.00	21,540,708.00
Sinking fund to retire friar-lands bonds:	6,010,240.33	7,912,526.00
Cash.....	288,325.83	711,901.53
Investments.....	916,772.89	711,901.53
	1,205,098.72	
Sinking fund to retire public works and permanent improvement bonds:		
Cash.....	258,285.91	
Investments.....	288,766.66	
	547,052.57	
Refundable export duties.....	643,184.80	831,048.66
Provincial and municipal internal revenue.....	54,149.04	506,789.41
Money-order funds.....	941,621.46	585,025.02
Postal savings-bank funds:		
Cash.....	697,197.99	510,061.64
Investments.....	336,140.55	
	1,033,338.54	
Constatutory pension fund:		
Cash.....	89,981.70	101,681.18
Investments.....	30,993.76	
	120,975.46	
Gold-standard fund.....	(552,366.41)	720,629.55
Mints account.....	3,380,341.77	4,039,573.34
	2,827,975.36	
Less bonded debt (supra).....		4,760,202.89
		2,000,000.00
		2,760,202.89
Congressional relief fund.....	99,227.36	296,335.90
Interest accrued and unpaid.....	549,940.46	464,766.67
Outstanding obligations of bureaus and offices.....	503,186.83	
Miscellaneous trust funds.....	427,076.99	63,125.23
The city of Manila:		
Revenue account.....	14,425.02	
Appropriation account.....	289,036.34	183,546.77
Luneta extension loan.....	40,970.89	40,970.89
Sewers and waterworks fund.....	1,473,901.57	3,709,449.60
Sewers and waterworks sinking fund.....	200,093.82	80,592.44
	2,018,427.64	4,014,559.70
Warrants outstanding.....	2,713,611.40	278,272.91
Principal account.....	7,312,968.61	1,640,043.18
Surplus:		
Appropriated.....	8,738,208.63	5,159,607.29
Available for appropriation.....	3,491,476.54	6,731,828.68
	12,229,685.17	11,891,435.97
Total.....	79,121,449.74	77,110,503.89

a All provinces, account current.

Abstract of unexpended balances of appropriations, bureaus and offices.

[NOTE.—Items in parentheses indicate overdrawn appropriation or balance due officers, as the case may be.]

	Treasury.	Other officers.	Total.
Executive department:			
Philippine assembly	P(1,336.19)	P1,336.19	
Executive bureau	(424.28)	424.28	
Bureau of audits	(823.00)	823.00	
Bureau of civil service	(105.00)	105.00	
Department of the interior:			
Bureau of health	(12,140.87)	12,140.87	
Bureau of lands	(23,160.00)	23,160.00	
Bureau of science	(1,530.54)	1,530.54	
Bureau of agriculture	(529.67)	529.67	
Bureau of forestry	(20.00)	20.00	
Department of commerce and police:			
Bureau of constabulary	(326,441.93)	215,837.00	P(110,604.93)
Bureau of public works	(108,523.51)	17,027.73	(91,495.78)
Bureau of navigation	15,587.31	(15,587.31)	
Bureau of navigation, light-house service	(681.76)	681.76	
Bureau of posts	(47,490.45)	47,490.45	
Bureau of coast and geodetic survey	(10,174.93)	10,174.93	
Department of finance and justice:			
Bureau of justice	8,055.51	(8,055.51)	
Bureau of customs	(18,131.69)	18,131.69	
Bureau of internal revenue	(1,364.38)	1,364.38	
Department of public instruction:			
Bureau of education	(46,287.82)	46,287.82	
Bureau of prisons, prison division	(474.60)	474.60	
Philippine Medical School	(200.00)	200.00	
University of the Philippines	100,000.00		100,000.00
The judiciary	(24,004.97)	24,004.97	
Total	(500,202.77)	398,102.06	(102,100.71)

NOTE.—Under authority contained in Act No. 1873 all unexpended balances of current expense appropriations after provision had been made for outstanding liabilities, have been reverted to the surplus account. All balances in hands of disbursing officers will be charged to the appropriations for fiscal year 1909 when these are set up on July 1, 1908. So far as known to this office every liability for services rendered or supplies actually received has been brought into the accounts and set up as expenditures on the one hand and "outstanding obligations" upon the other. The bureau of constabulary had P432,579.39 and the bureau of public works P217,497.14 supplies in their warehouses and yards as shown by inventory of June 30, 1908.

Abstract of unexpended balances of appropriations, miscellaneous expenses and fixed charges.

NOTE.—Items in parentheses indicate overdrawn appropriation or balance due officers, as the case may be.]

	Treasury.	Other officers.	Total.
Fidelity-bond premiums	P163,435.67		P163,435.67
General purposes	273,125.74	P38,728.94	311,854.68
Subsidies to contract steamship owners	106,298.83		106,298.83
Collection and delivery of lepers to Cullon leper colony	198.49		198.49
Exposition board	1,247.75		1,247.75
Economic Association	1,500.00		1,500.00
Scholarship, maintenance expenses, Philippine Medical School	14,923.34		14,923.34
Expenses Secretary of War and party	45.97		45.97
Coal for U. S. Fish Commission boat Albatross	1,465.88		1,465.88
Transportation between Dagupan and Baguio	4,800.00		4,800.00
Suppression of head-hunting, Act No. 1679	2,094.51	1,042.82	3,137.33
Bounties to tobacco growers	13,250.00		13,250.00
Purchase of two boats for Mindoro and Samar	12,457.66		12,457.66
Expenses board of rate regulation	3,281.67		3,281.67
Relief and return of shipwrecked mariners	2,000.00		2,000.00
Promotion of commercial and industrial interests	18,250.54		18,250.54
Philippine Carnival Association, postage and printing	4,383.50		4,383.50
Settlement of unpaid claims, Albay law and order	762.57		762.57
Salary and expenses, secretaries of resident Commissioners in United States	1,368.13		1,368.13
Relief of sufferers of public calamities	88,500.00	11,500.00	100,000.00
Services coast guard cutters carrying election forms to Batanes Islands	334.26		334.26
Establishment and maintenance educational work, non-Christian tribes	40.00	51,263.49	51,303.49
Support primary instruction in municipalities on friar lands estates		1,080.61	1,080.61
Sale of rice, Act No. 405	785.01	13.38	798.39

Abstract of unexpended balances of appropriations, miscellaneous expenses and fixed charges—Continued.

	Treasury.	Other officers.	Total.
Relief of Blas Cabrera and others.....		P395.00	P395.00
Delegate to Navigation Congress.....	P23,200.00	10,800.00	34,000.00
Exterminating cattle diseases.....	51,796.19		51,796.19
Delegate to Tuberculosis Congress.....	4,000.00		4,000.00
Philippine Public Library.....	4,000.00		4,000.00
Prize for invention, nipa-roof substitute.....	15,000.00		15,000.00
Entertainment American fleet.....	75,000.00		75,000.00
Benguet improvements.....	205.94		205.94
Interest on friar lands bonds.....	(2,255.29)	2,255.29	
Total.....	885,496.36	117,079.53	1,002,575.89

Abstract of unexpended balances of appropriations, aid to provinces.

	Treasury.	Other officers.	Total.
Province of Samar:			
Arms and ordnance.....	P1,196.06		P1,196.06
Salary and expenses, lieutenant-governor, Acts Nos. 1785 and 1873.....	20,000.00		20,000.00
Total.....	21,196.06		21,196.06

Abstract of unexpended balances of appropriations, public works from insular revenues.

[NOTE.—Items in parentheses indicate overdrawn appropriation or balance due officers, as the case may be.]

	Treasury.	Other officers.	Total.
Public works, Acts Nos. 490 and 807.....	P2,048.58		P2,048.58
Cotton leper colony, Act No. 136.....	2,950.43		2,950.43
Roads and bridges, Act No. 1.....	3,147.63	P2,050.07	5,197.70
Construction San Lazaro Insane Hospital, Act No. 1580.....	3,380.10		3,380.10
Hospital building, bureau of prisons, Act No. 1580.....	22,437.41		22,437.41
Construction schoolhouses, provinces and city of Manila, Act No. 1580.....	145,168.20	91,623.38	236,791.58
Constabulary barracks and quarters, Act No. 1580.....	46,582.84		46,582.84
Retaining walls and repair, Malacañang, Act No. 1580.....	6,824.57		6,824.57
Grading grounds, bureau of science, Act No. 1580.....	37.75		37.75
Assay house, bureau of science, Act No. 1662.....	1,965.00		1,965.00
Dairy barn, Alabang, bureau of agriculture, Act No. 1662.....	6,600.00		6,600.00
Hospital building, Baguio, Act No. 1662.....	19,369.26		19,369.26
San Miguel de Mayumo and Sibul Springs road, Act No. 1662.....	13,877.03		13,877.03
Restoration Magallanes Monument, Mactan, Cebu, Act No. 1662.....	106.11		106.11
Construction Pagbilao-Antimonan road, Act No. 1662.....	93,027.78	7,863.91	100,891.69
Artesian wells, Act No. 1837, repealing Act No. 1688.....	142,021.04	600.00	142,621.04
Improvement port of Manila, Act No. 22.....	11,130.65		11,130.65
Investigation of harbor improvements, Act No. 1580.....	1,334.21		1,334.21
Wharf abutments, Manila, Act No. 1580.....	4,191.76		4,191.76
Completion Luneta extension fill, Act No. 1580.....	28,102.80		28,102.80
Light-house construction, Batag Islands, Act No. 1662.....	15,366.02		15,366.02
Repairing bulkhead and retaining walls, Luneta Extension, Act No. 1660.....	5,937.84		5,937.84
Clearance of Bayabas and Norzagaray rivers, Act No. 1662.....	1,053.59		1,053.59
Post-office wharf, Manila, Act No. 1660.....	31.54		31.54
Dredging lower Cagayan, Act No. 1660.....	1,289.41		1,289.41
Repairs to Cebu wharf, Act No. 1660.....	97.60		97.60
Sewer system, Bilibid, Act No. 1580.....	20,000.00		20,000.00
Sanitary beds, Bilibid, Act No. 1580.....	12,626.71		12,626.71
Pasig River walls below Bridge of Spain, Acts Nos. 1421 and 1750.....	40,593.19		40,593.19
Light-house construction, Act No. 1246.....	9,146.84		9,146.84
Loboc-Bilar road, Act No. 1688.....	100,000.00		100,000.00
Cebu-Toledo road, Act No. 1688.....	84,614.74	18,849.50	103,464.24
Permanent bridges, Caceres-Banile road, Act No. 1688.....	103,000.00		103,000.00
Permanent bridges and construction:			
Tabaco-Ligao road, Act No. 1688.....	178,800.00	7,835.95	184,435.95
Bay-Tiaong road, Act No. 1688.....	(7,719.72)	11,107.91	3,388.19

Abstract of unexpended balances of appropriations, public works from insular revenues—Continued.

	Treasury.	Other officers.	Total.
Permanent bridges, Calamba-Los Banos-Bay road, Act No. 1688.....	P5,344.69	P1,163.34	P6,508.03
Improvement Benguet road, Act No. 1688.....	903.05	5,322.76	6,225.81
Pasay-Camp Hayson road, Act No. 1688.....	2,820.98	573.00	3,393.98
Construction and maintenance roads and bridges at direction of secretary of commerce and police, Act No. 1688.....	232,035.23	320,934.58	552,969.81
General Hospital, Manila, Act No. 1688.....	778,238.74		778,238.74
Construction and maintenance of irrigation plants at direction of secretary of commerce and police, Act No. 1688.....	250,000.00		250,000.00
Construction of walls south side of Pasig River, Acts Nos. 1688 and 1837.....	201,454.34		201,454.34
Filling behind Pasig River walls, Act No. 1688.....	26,700.00		26,700.00
Construction of buildings at Alabang, bureau of agriculture, Act No. 1688.....	11,686.59		11,686.59
Construction of buildings at Bagulo, bureau of agriculture, Act No. 1688.....	4,104.45		4,104.45
Construction of stallion barn at Trinidad, bureau of agriculture, Act No. 1688.....	760.61		760.61
Construction calf stable, bureau of science, Act No. 1688.....	12,822.00		12,822.00
Roofing wharf at Mariveles, Act No. 1688.....	4,334.49		4,334.49
Construction constabulary barracks and quarters, Act No. 1688.....	50,445.21	5,816.88	56,262.09
Fireproof vault, Oriente Building, Act No. 1688.....	10,400.00		10,400.00
Storehouse for acids and chemicals, bureau of customs, Act No. 1688.....	806.02		806.02
Restoration buildings on friar lands estates, Act No. 1688.....	1,340.11		1,340.11
Construction and maintenance irrigation plants, friar lands estates, Act No. 1688.....	3,667.46		3,667.46
Irrigation plant, Bayombong, Act No. 1688.....		11,775.00	11,775.00
Relocation Magallanes Monument, Manila, Act No. 1688.....	5,000.00		5,000.00
Reinforcement with concrete, Intendencia Building, Act No. 1688.....	499.67		499.67
Signal tower, Engineer Island, Act No. 1688.....	12.46		12.46
Construction of school buildings and teachers' quarters in non-Christian tribes, Act No. 1688.....	301,121.26	28,221.43	329,342.69
Buildings and gas plant, Philippine Medical School, Act No. 1688.....	251,000.00		251,000.00
Permanent roads and bridges allotment, secretary of commerce and police, Act No. 1688.....	199,941.67		199,941.67
Painting and repairing Manila custom-house, Act No. 1785.....	5,376.24		5,376.24
Construction schoolhouses in barrios, discretion of secretary of public instruction, Act No. 1801.....	250,000.00		250,000.00
Construction of schoolhouses, Act No. 1662.....		2,000.00	2,000.00
Cuyo wharf, Act No. 1188.....		75.71	75.71
Anchors and buoys, Acts Nos. 490 and 807.....	1,966.23		1,966.23
Purchase of settlers' rights, Iwahig, Act No. 1580.....	47.00		47.00
Plans for Philippine Capitol Building, Act No. 1837.....	100,000.00		100,000.00
Friar lands estates irrigation plants, allotment secretary of the interior, Act No. 1837.....	60,000.00		60,000.00
Improvement government land around Sibul Springs, Act No. 1837.....	10,000.00		10,000.00
Additional wards for contagious diseases, San Lazaro Hospital, Act No. 1837.....	30,000.00		30,000.00
Animal quarantine station, Manila, Act No. 1837.....	85,000.00		85,000.00
Forage plant and artesian wells (bureau of agriculture), Act No. 1837.....	18,000.00		18,000.00
Benguet Sanitarium, Bagulo, Act No. 1837.....	11,000.00		11,000.00
Construction arrastre plant, Cebu, Act No. 1837.....	200,000.00		200,000.00
Raising grade and additional track, Engineer Island, Act No. 1837.....	5,000.00		5,000.00
Lumber shed, Engineer Island, Act No. 1837.....	6,000.00		6,000.00
Launch for bureau of navigation, Act No. 1837.....	40,000.00		40,000.00
Gasoline ketch, bureau of navigation, Act No. 1837.....	12,000.00		12,000.00
Fourth-order light, Sultan Islands, Act No. 1837.....	59,994.68		59,994.68
Minor lights and substitution of iron and concrete for wood towers, Act No. 1837.....	35,000.00		35,000.00
Buoys and beacons, Act No. 1837.....	15,000.00		15,000.00
River wall and Muelle Loney, Iloilo, Act No. 1837.....	110,000.00		110,000.00
Filling hospital grounds, Bulbid, Act No. 1837.....	12,000.00		12,000.00
Sanitary beds, hospital, Bilibid, Act No. 1837.....	3,000.00		3,000.00
Purchase of land for animal quarantine stations, Manila, Iloilo, Cebu, Act No. 1855.....	150,000.00		150,000.00
Erection permanent government storehouse, Manila.....	350,000.00		350,000.00
Construction Cavite boulevard, Act No. 1745.....	100,000.00		100,000.00
Total.....	5,141,764.09	515,813.42	5,657,577.51

Abstract of unexpended balances of appropriations, self-sustaining bureaus and funds.

[NOTE.—Items in parentheses indicate overdrawn appropriation or balance due officers, as the case may be.]

	Treasury.	Other officers.	Total.
Commissary stores (bureau of constabulary).....	P32,264.17	P992.67	P33,256.84
Marine railway and repair shop (bureau of navigation).....	54,077.30	5.54	54,082.84
Library fund (bureau of science).....	2,648.00		2,648.00
Arrastre plant (bureau of customs).....	17,747.17	76,370.53	94,117.70
American Circulating Library (bureau of education).....	290.88	36.25	327.13
Bureau of supply (division of supplies).....	446,752.61	158,351.63	605,104.24
Bureau of supply (division of cold stores).....	8,453.81	50.00	8,503.81
Bureau of printing.....	171,627.85	1,180.59	172,808.44
Bureau of prisons (industrial division).....	128,661.90	297.35	128,959.25
Bureau of prisons (general stores, Iwahig penal settlement).....	776.40		776.40
Bureau of internal revenue, proceeds of opium license, section 26, Act No. 1461.....	813,028.86		813,028.86
Section 27, Act No. 1461.....	16,671.13		16,671.13
The judiciary, supreme court library.....	7,044.55		7,044.55
Baguio town site improvement fund, Act No. 1527 (bureau of public works).....	(4,153.87)	2,776.06	(1,377.81)
Coal-supply fund.....	20,418.92		20,418.92
Friar-land loan fund.....	88,310.00		88,310.00
The insurance fund.....	114,279.58		114,279.58
Total.....	1,918,899.26	240,080.62	2,158,959.88

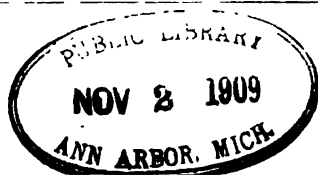
Abstract of unexpended balances of appropriations, public works and permanent improvement fund (bond issue).

	Treasury.	Other officers.	Total.
Quarantine station, Cebu, Act No. 1342.....	P851.54		P851.54
Public works, bureau of public works, Act No. 1342.....	64,671.73		64,671.73
Improvement Manila Harbor and Pasig River, Acts Nos. 1342, 1379, and 1445.....	389,379.21	P20,996.78	410,375.99
Improvement Pasig River front, Acts Nos. 1342, 1379, and 1445.....			
Improvement port of Cebu, Acts Nos. 1342 and 1449.....	223,137.20		223,137.20
Improvement port of Iloilo, Acts Nos. 1342 and 1650.....	95,719.95		95,719.95
Marine railway and repair shop, Act No. 1342.....	13.69		13.69
Maintenance two survey parties, Act No. 1449.....	98.23		98.23
Manila Harbor and Pasig River office assistants, Act No. 1668.....	23,222.80		23,222.80
Improvement Billibid Prison, Act No. 1342.....	17,079.69		17,079.69
Constructing abutments to wharves, sheds, and improvement, ports of Manila and Iloilo, at discretion secretary of commerce and police, Act No. 1784.....	315,411.47		315,411.47
Iloilo River wall, Act No. 1650.....	29,971.40		29,971.40
Dredging channel and turning basin, Iloilo River, Act No. 1650.....	50,000.00		50,000.00
Puerto Princesa causeway, Act No. 1479.....		3,995.92	3,995.92
Total.....	1,209,556.91	24,992.70	1,234,549.61

Abstract of unexpended balances of appropriations, congressional relief fund.

[NOTE.—Item in parentheses indicates balance due officers.]

	Treasury.	Other officers.	Total.
Construction and repair of school buildings, Act No. 1275.....	P22,017.32	P35,883.49	P57,900.81
Construction Tarlac dike, Act No. 1406.....	3,000.00		3,000.00
Loans to provinces under direction of governor-general.....	32,582.22		32,582.22
Manufacture of serum—Operation and maintenance animal quarantine station, Act No. 1799.....	6,593.93	(2,767.77)	3,826.16
Capas-O'Donnell-Iba road, Act No. 1016.....		1,918.17	1,918.17
Total.....	64,193.47	35,033.89	99,227.36



Abstract of miscellaneous liabilities of the government.

[NOTE.—Items in parentheses indicate overdrawn appropriations or balances due officers, as the case may be.]

	Treasury.	Other officers.	Total.
Extra service employees (bureau of customs).....	P4,707.45		P4,707.45
Service officers in bonded warehouses (bureau of customs).....	278.85		278.85
Surplus on auction sales (bureau of customs).....	1,146.86		1,146.86
Refundable export duties (bureau of customs).....	643,184.80		643,184.80
The guarantee fund (bureau of customs).....	187,131.81		187,131.81
Internal revenue undistributed due provinces and municipalities.....	54,149.04		54,149.04
Pension and retirement fund (bureau of constabulary).....	89,649.25	P332.45	89,981.70
Postal savings bank fund (bureau of posts).....	632,672.74	64,525.25	697,197.99
Assurance fund.....	30,346.75	46.60	30,393.35
Silver-certificate redemption fund.....	18,883,699.00		18,883,699.00
Philippine money-order fund.....	812,007.50	129,613.96	941,621.46
Outstanding liabilities.....	11,677.39		11,677.39
Tax-guarantee fund.....		4,654.11	4,654.11
Rizal monument fund.....		119,380.10	119,380.10
Homestead redemption fees.....	130.00	23,082.95	23,212.95
Estate deceased government employees.....		11,016.94	11,016.94
Fire-line badge fund.....		404.00	404.00
Bilibid prisoners' trust fund.....		2,213.06	2,213.06
Contractors' trust fund.....	1,250.00		1,250.00
Students' guarantee fund.....	920.00		920.00
Trust fund (supreme court).....	2,111.75		2,111.75
Trust fund (sheriff of Manila).....	(20,695.39)	1,260.05	(19,435.34)
Trust fund (judiciary).....	44,265.71		44,265.71
Miscellaneous trust funds:			
R. A. Blair.....	398.00		398.00
R. E. Scott.....	1,350.00		1,350.00
Friar lands bonds sinking fund.....	283,201.44	5,124.39	288,325.83
Public works and permanent improvements bonds sinking fund.....	258,285.91		258,285.91
Gold-standard fund.....	(655,265.19)	102,898.78	(552,366.41)
Interest accrued and unpaid.....	(30,000.00)	579,940.46	549,940.46
Depository fund.....	6,010,240.33		6,010,240.33
Total.....	27,246,844.00	1,044,493.10	28,291,337.10

Abstract of unexpended balances of appropriations and liabilities on account of the city of Manila.

[NOTE.—Items in parentheses indicate overdrawn appropriations or balances due officers, as the case may be.]

	Treasury.	Other officers.	Total.
Department of sanitation and transportation.....	P10,888.28	P1,654.95	P12,543.23
Sewer and waterworks construction bond sinking fund.....	200,093.82		200,093.82
Widening and straightening streets.....	70,131.21		70,131.21
Improvement Luneta extension.....	10,000.00		10,000.00
Expense of land for widening Calle Jojo.....	27,609.67		27,609.67
Tondo School building.....	53,651.19		53,651.19
Retaining walls, Malate School.....	3,025.75	109.60	3,135.35
Bridges, esteros, parks, and streets.....	48,583.16		48,583.16
Cedula road and bridge fund.....	62,776.03	6.50	62,782.53
Public works from bond issue—Sewer and waterworks construction.....	1,467,619.15	6,282.42	1,473,901.57
Luneta extension, act No. 1360.....	40,970.89		40,970.89
City of Manila insurance fund.....	600.00		600.00
City of Manila revenue account.....	(13,891.77)	28,316.79	14,425.02
Department engineering and public works.....	(4,404.10)	4,404.10	
Fire department.....	(2,403.82)	2,403.82	
Police department.....	(177.50)	177.50	
Department of city schools.....	(50.00)	50.00	
Total.....	1,975,021.96	43,406.68	2,018,427.64

Abstract of balances of appropriations of bureaus, offices, and city of Manila representing their outstanding obligations as certified to this office.

	Treasury.	Other officers.	Total.
Executive, legislative, and judiciary:			
The Philippine Assembly.....	P1,693.60		P1,693.60
Executive bureau.....	28,733.35		28,733.35
Bureau of civil service.....	1,390.80		1,390.80
Bureau of audits.....	2,463.04		2,463.04
Department of the interior:			
Bureau of health.....	33,277.87		33,277.87
Quarantine service.....	807.50		807.50
Weather bureau.....	1,077.49		1,077.49
Bureau of forestry.....	2,382.14		2,382.14
Bureau of science.....	10,733.97		10,733.97
Bureau of lands.....	4,499.30		4,499.30
Bureau of agriculture.....	350.00		350.00
Department of commerce and police:			
Bureau of constabulary.....	143,104.65		143,104.65
Bureau of posts.....	83,474.15		83,474.15
Bureau of navigation—			
Navigation division.....	6,834.96		6,834.96
Light-house service.....	9,021.39		9,021.39
Division of port works.....	1,057.30		1,057.30
Bureau of coast and geodetic survey.....	709.40		709.40
Bureau of public works.....	19,553.81		19,553.81
Department of finance and justice:			
Bureau of justice.....	184.04		184.04
Bureau of internal revenue.....	14,492.42		14,492.42
Bureau of customs.....	24,757.71		24,757.71
Department of public instruction:			
Bureau of education.....	65,716.83		65,716.83
Bureau of prisons—Prison division.....	4,135.35		4,135.35
The judiciary.....	7,622.33		7,622.33
Miscellaneous general expenses:			
Pay of Cavite police.....	240.00		240.00
Extirmination of cattle diseases.....	1,224.18		1,224.18
Salaries and expenses secretaries to resident commissioners in United States.....	203.93		203.93
Self-sustaining bureaus and funds:			
Supply division, bureau of supply.....	33,020.49		33,020.49
Bureau of printing.....	302.17		302.17
Industrial division, bureau of prisons.....	17.50		17.50
City of Manila:			
Fire department.....	97.50		97.50
Law department.....	5.00		5.00
Police department.....	2.66		2.66
Total.....	503,186.83		503,186.83

RECAPITULATION OF CASH BALANCES.

[NOTE.—Items in parentheses indicate overdrawn appropriations or balances due officers, as the case may be.]

	Treasury.	Other officers.	Total.
Bureaus and offices.....	P(500,202.77)	P398,102.06	P(102,100.71)
Miscellaneous expenses and fixed charges.....	885,498.36	117,079.53	1,002,575.89
Aid to provinces.....	21,186.06		21,186.06
Public works from insular revenue.....	5,141,784.09	515,813.42	5,657,577.51
Self-sustaining bureaus and funds.....	1,918,899.26	240,060.62	2,158,959.88
Subtotal.....	7,467,153.00	1,271,055.63	8,738,208.63
Public works and permanent improvement fund (bond issue).....	1,209,556.91	24,992.70	1,234,549.61
Congressional relief fund.....	64,193.47	35,033.89	99,227.36
Miscellaneous liabilities of the government.....	27,246,844.00	1,044,493.10	28,291,337.10
The city of Manila.....	1,975,021.98	43,405.68	2,018,427.64
Outstanding obligations of bureaus, offices, and the city of Manila.....	503,186.83		503,186.83
Outstanding warrants.....	2,713,611.40		2,713,611.40
Surplus available for appropriation.....	3,163,111.29	328,365.25	3,491,476.54
Total.....	44,342,678.86	2,747,346.25	47,090,025.11

Duties collected on Philippine products in United States		538, 053. 02	1, 633, 974. 08		562, 750. 42	1, 095, 918. 04	1, 095, 918. 04
Total customs revenue		16, 035, 783. 60					1, 119, 414. 10
Internal-revenue receipts by provinces (proportion pertaining to the insular government):							
City of Manila.....		3, 437, 898. 34	3, 684, 020. 44			246, 212. 10	
Agusan.....		1, 222. 78		1, 222. 78			
Albay.....		77, 130. 35	89, 592. 69			12, 462. 34	
Ambos Camarines.....		67, 526. 82	80, 455. 37			12, 928. 55	
Antique.....		2, 987. 07	2, 904. 74	82. 33			
Bataan.....		12, 194. 78	15, 103. 96			2, 909. 18	
Batangas.....		17, 426. 11	19, 113. 60			1, 684. 49	
Benguet.....		3, 159. 81	2, 897. 66	182. 15			
Bohol.....		7, 604. 52	5, 468. 18	2, 118. 34			
Bulacan.....		196, 611. 64	281, 413. 00			82, 801. 36	
Cagayan.....		25, 171. 68	50, 439. 79			25, 268. 11	
Capiz.....		32, 200. 41	19, 012. 04	13, 188. 37			
Cavite.....		16, 276. 71	17, 918. 75			1, 642. 04	
Cebu.....		97, 970. 15	103, 049. 58			5, 073. 43	
Ilocos Norte.....		6, 795. 52	7, 547. 99			852. 47	
Ilocos Sur.....		32, 552. 26	39, 644. 28			7, 092. 02	
Iloilo.....		89, 611. 50	84, 372. 96	5, 238. 54			
Isabela.....		13, 567. 95	13, 404. 91	163. 04			
La Laguna.....		48, 661. 81	43, 965. 91	4, 695. 90			
La Union.....		10, 602. 76	10, 861. 71			258. 96	
Lepanto-Bontoc.....		790. 70	620. 73	169. 97			
Leyte.....		85, 349. 28	99, 388. 03			14, 038. 75	
Mindoro.....		4, 441. 78	4, 972. 41			530. 63	
Misamis.....		20, 191. 10	21, 407. 30			1, 216. 20	
Moro.....		53, 083. 04	58, 053. 77			4, 910. 73	
Nueva Ecija.....		12, 030. 47	12, 158. 99			128. 52	
Nueva Vizcaya.....		836. 13	1, 345. 84			509. 71	
Occidental Negros.....		23, 117. 35	29, 159. 35			42. 00	
Oriental Negros.....		9, 097. 64	7, 700. 16	1, 397. 48			
Palawan.....		3, 122. 78	4, 208. 91			1, 086. 13	
Pangasinan.....		140, 375. 63	162, 278. 04	11, 826. 38		21, 902. 41	
Pampanga.....		136, 231. 46	124, 408. 08			6, 271. 98	
Pangasinan.....		27, 131. 42	33, 403. 00			7, 227. 35	
Rizal.....		52, 898. 56	7, 227. 35			4, 002. 92	
Rombon (consolidated with Capiz)		38, 860. 96	56, 962. 48			13, 883. 84	
Samar.....		17, 125. 62	32, 644. 80			9, 700. 50	
Sorsogon.....		29, 673. 96	21, 024. 05			7, 350. 19	
Surigao.....		57, 900. 38	58, 064. 61	946. 14			
Tayras.....		7, 304. 38	8, 460. 66			1, 156. 28	
Zambales.....							€ 451, 317. 36
Total internal revenue		4, 917, 831. 88	5, 369, 149. 24			492, 848. 78	
Total internal revenue		4, 917, 831. 88	5, 369, 149. 24	41, 531. 42			€ 451, 317. 36

a Abolished by Act 1535.

b Includes ₱72,315.98 pertaining to prior fiscal years.

c Net decrease against 1907.

Statement of income and expenditures of the insular government, fiscal year ended June 30, 1908—Continued.
INCOME (1)—Continued.

Item.	Fiscal year 1908.	Fiscal year 1907.	Increase.	Total increase.	Decrease.	Total decrease.
Franchise tax.....	₱65,370.19	₱51,661.29	₱13,708.90			
Total.....	65,370.19	51,661.29	13,708.90			
Other income:						
Sales and rents public lands.....	62,926.88	71,250.43			₱8,323.55	
Interest on deposit general fund.....	347,907.47	357,505.44			9,597.97	
Forfeiture firearms bonds.....	3,543.87		3,543.87			
Mining fees, section 37, act Congress July 1, 1902.....	1,047.28		1,047.28			
Repayment of loan made by Spanish Government.....	19,124.00		19,124.00			
Profit on operations of Insular Ice plant.....	330,873.89	332,313.55	7,560.34			
"Don Juan" seized silver.....	5,020.82	8,421.68			8,421.68	
Miscellaneous.....		1,756.64	3,264.18			
Total.....	779,537.21	771,256.74	34,539.67	a ₱8,280.47	26,259.20	
Total income.....	21,798,522.88	22,784,514.55				b ₱885,991.67

a Net increase over 1907.

b Net decrease against 1907.

EXPENDITURES.

[NOTE.—See page 528 for expenditures and receipts from operation in detail and comparisons.]

EXECUTIVE DEPARTMENT (2).

JAMES F. SMITH, Governor-General.

Item.	For real estate and permanent improvements.	For supplies.	For administration.	For maintenance.	For prior fiscal years.	Total.	Receipts from operation.	Net expenditures from revenue.
Philippine Commission.....			₱127,201.80			₱127,201.80		₱127,201.80
Philippine assembly.....	₱22,183.80		153,706.68	₱2,841.35		158,731.83	₱22.90	158,771.68
Executive bureau.....	14,053.18	₱4,556.31	452,446.04	3,488.62	₱5,184.39	470,755.46		158,793.22
Bureau of audits.....	1,122.76		390,155.42	1,145.03	3,945.22	395,368.43	14,632.07	405,193.20
Bureau of civil service.....	(183.54)		78,942.66	12.31	7,737.26	79,590.68	1,244.04	399,378.43
Total.....	37,194.20	4,556.31	1,708,905.63	7,487.31	9,868.86	1,768,012.51	15,899.01	1,752,113.60

DEPARTMENT OF THE INTERIOR (3).

DEAN C. WORCESTER, Secretary.

Bureau of health.....	P 40,051.56	P 771,050.41	P 2,599.54	P 15,183.46	P 928,854.07	P 93,563.93	P 335,291.04
Bureau of quarantine service.....	2,873.86	92,064.84	13,132.91	11,517.19	119,604.92	4,770.01	124,321.01
Weather bureau.....	2,234.87	120,460.20	713.54	2,679.20	123,024.91	177.14	123,202.05
Bureau of forestry.....	104,000.70	5,663.49	5,663.49	16,606.68	109,666.13	137.16	109,803.29
Bureau of science.....	24,189.52	403,208.77	26,046.34	16,606.68	327,220.17	58,786.46	268,442.61
Bureau of lands.....	22,613.47	503,208.77	26,046.34	6,518.92	566,771.90	22,116.74	538,755.16
Bureau of agriculture.....	55,604.88	260,043.27	10,219.16	20,804.91	346,672.22	59,304.82	287,367.40
Total.....	160,679.08	2,228,164.28	59,715.42	67,426.94	2,515,985.72	238,689.76	2,277,295.96

DEPARTMENT OF COMMERCE AND POLICE (4).

W. CAMERON FORBES, Secretary.

Bureau of constabulary.....	P 115,291.61	P 243,805.19	P 48,534.34	P 128,615.21	P 3,632,592.42	P 211,513.78	P 3,421,078.64
Bureau of posts.....	18,638.07	996,754.36	250,424.38	11,648.62	1,277,465.43	757,886.47	619,578.96
Bureau of navigation: Navigation division.....	54,106.71	807,020.63	253,765.82	2,217.00	1,089,565.15	410,514.82	752,050.33
Light-house service.....	87,008.11	150,062.55	17,549.60	6,102.18	200,722.54	864.69	259,857.85
Division of port works.....	2,196.21	45,781.80	187,369.17	716.22	236,056.40	6,132.07	230,924.33
Bureau of coast and geodetic survey.....	4,388.85	149,772.28	30,659.93	2,609.85	187,430.91	107.34	187,538.25
Office of supervising railway expert.....	842.93	78,500.99	1.50	26,163.28	106,508.40	1,126.80	104,378.60
Bureau of public works.....	71,191.62	694,027.16	116,005.39	29,615.56	973,765.68	214,041.15	759,724.53
Office of the consulting architect.....		12,000.00			12,000.00		12,000.00
Total.....	353,719.11	6,030,265.64	903,310.13	207,887.92	7,854,106.93	1,606,890.12	6,247,216.81

DEPARTMENT OF FINANCE AND JUSTICE (5).

GREGORIO ARANETA, Secretary.

Bureau of treasury.....	P 800.19	P 126,222.16	P 278.03	P 411.43	P 127,901.81	P 1,027.39	P 126,774.42
Bureau of justice.....	3,117.43	124,620.11	510.00	64.80	125,244.23	2,221.22	125,023.01
Bureau of internal revenue.....	10,418.00	690,384.40	4,453.28	14,557.20	720,115.64	123,693.42	596,422.22
Bureau of customs.....	28,238.41	811,878.14	33,450.06	3,660.18	877,226.79	92,072.62	785,154.17
Total.....	42,664.09	1,753,305.01	38,563.37	18,725.50	1,853,388.47	219,018.65	1,634,369.82

Statement of income and expenditures of the insular government, fiscal year ended June 30, 1908—Continued.

EXPENDITURES—Continued.

DEPARTMENT OF PUBLIC INSTRUCTION (6).

W. MORGAN SHUSTER, Secretary.

Item.	For real estate and permanent improvements.	For supplies.	For administration.	For maintenance.	For prior fiscal years.	Total.	Receipts from operation.	Net expenditures from revenue.
Bureau of education.....	P 31,602.45	P 226,907.23	P 2,812,579.36	P 3,779.09	P 101,532.28	P 3,176,300.44	P 33,568.42	P 3,142,702.02
Bureau of printing.....								
Bureau of prisons:								
Prison division.....	41,438.61	44,942.88	612,901.37	33,292.37	2,937.54	735,612.77	127,871.37	607,641.40
Industrial division.....								
Bureau of supply. (See Capital operations.)								
Philippine Medical School.....	36,924.16		77,726.02	2,740.68	380.12	117,770.98		117,770.98
Total.....	109,865.22	271,850.11	3,503,206.78	39,812.14	104,849.94	4,028,584.19	161,469.79	3,868,114.40

THE JUDICIARY (7).

CLAYTON ARELLANO, Chief Justice.

Expenditures, 1908.....	P 13,411.01	P 802,414.23	P 387.53	P 7,922.14	P 824,135.91	P 203,648.51	P 620,487.40
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MISCELLANEOUS EXPENDITURES (8).

Items.	Amount.	Fiscal year 1908.	Fiscal year 1907.	Increase.	Decrease.
Fidelity-bond premiums.....	P (55,534.30)				
General purposes, miscellaneous expenses of personnel, etc.....	(73,683.64)				
Payments to contract steamships.....	227,718.28				
Gift of Cavite police.....	7,303.11				
Gift of Cavite police.....	7,303.11				
Collecting papers for Cullion colony.....	1,357.88				
Exposition board.....	6,618.06				

Extra compensation of treasury examiners.....	200.00			
Aid to Economic Association of the Philippines.....	1,560.00			
Payment to George Curry.....	850.00			
Scholarship Philipine Medical School.....	4,357.00			
Expenses of the Secretary of War and party.....	76.66			
Coal for Fish Commission boat <i>Ahatores</i>	19,954.03			
Transportation service between Dagupan and Baguio.....	13,534.12			
Suppression of head hunting.....	14,400.00			
Purchase of boats for Mindoro and Samar.....	2,862.67			
Expenses board of rate regulation.....	12,542.34			
Promotion of commercial and industrial interests.....	1,718.33			
Postage and printing for Philippine Carnival Association.....	6,740.46			
Aid to Philippine carnival.....	5,616.50			
Settlement of unpaid bills of Albay law-and-order fund.....	10,000.00			
Salaries and expenses of secretaries to Resident Commissioners to the United States.....	1,237.43			
Services of coast guard cutters.....	4,131.87			
Carrying election forms to Batanes Islands.....	1,215.74			
Restoration of law and order in Leyte and Samar.....	13,670.00			
Establishment and maintenance of educational work, non-Christian tribes.....	23,696.31			
Support of primary instruction in municipalities on friar-lands estates.....	25,919.39			
Sale of rice, Act No. 495.....	328.48			
Payments to Sultan of Sulu et al.....	16,352.50			
Relief of Blas Cabrera et al.....	103.00			
Benquet improvements.....	12.88			
Extermination of cattle diseases.....	48,203.81			
Gift to inhabitants of Apayo.....	1,500.00			
Reimbursement to bureau of supply for supplies lost in Cagayan River.....	1,605.50			
Postal savings bank deficiency operating expenses, Act No. 1463.....	16,933.55			
		P 355,176.33	P 154,263.79	P 200,922.54
FIXED CHARGES.				
Interest on public works and permanent improvement bonds.....	282,662.50			
Reserve for sinking fund, public works and permanent improvement bonds, fiscal year 1908.....	142,848.44			
Reserve for sinking fund, public works and permanent improvement bonds, fiscal year 1907 and prior fiscal years.....	404,204.13			
Interest on friar-lands bonds, fiscal year 1908.....	P 564,200.00			
Less receipts on account of rentals, etc.....	267,537.49			
Reserve for sinking fund, friar-lands bonds, fiscal year 1908.....	140,000.00			
Less receipts on account of rentals, etc.....	11,370.61			
Reserve for sinking fund, friar-lands bonds, fiscal year 1907 and prior fiscal years.....	331,184.03			
Interest on Philippine railway bonds.....	113,418.07			
Contribution to the city of Manila.....	1,246,224.60			
		2,945,834.57	1,495,796.87	1,450,038.70

Statement of income and expenditures of the insular government, fiscal year ended June 30, 1908—Continued.

EXPENDITURES—Continued.

AID TO PROVINCES (9).

Items.	Amount.	Fiscal year 1908.	Fiscal year 1907.	Increase.	Decrease.
City of Manila: Refund of court costs.....	P4,276.64	P4,276.64		P4,276.64	
Agusan (new province):					
Administrative expenses.....	15,174.54				
Payment in lieu of land tax.....	987.16				
Albay:					
Payment in lieu of land tax.....	51,383.66				
Refund of court costs.....	3,276.89				
Cancellation of loans.....	85,000.00				
Amboe Camarines:					
Payment in lieu of land tax.....	32,268.30				
Refund of court costs.....	2,105.33				
Cancellation of loans.....	50,000.00	139,673.55	P124,590.19	15,083.36	
Antique:					
Payment in lieu of land tax.....	3,974.14				
Refund of court costs.....	1,055.45				
Cancellation of loans.....	22,500.00	84,373.63	43,834.86	40,538.77	
Bataan:					
Payment in lieu of land tax.....	4,544.42				
Refund of court costs.....	1,286.84				
Cancellation of loans.....	12,000.00	27,528.59	11,658.87	15,870.72	
Batangas:					
Payment in lieu of land tax.....	14,454.76				
Refund of court costs.....	2,230.88				
Cancellation of loans.....	49,664.47	17,834.26	13,341.24	4,493.02	
Benguet:					
Administrative expenses.....	26,000.00				
Refund of court costs.....	215.54	66,350.10	65,044.44	1,305.66	
Bobol:					
Payment in lieu of land tax.....	10,366.93				
Refund of court costs.....	451.88	26,215.54	20,600.00	5,315.54	
		10,828.81	11,407.41		P578.60

Bulacan:					
Administrative expenses.....	2,334.45				63,731.78
Payment in lieu of land tax.....	37,743.43				
Refund of court costs.....	5,494.63				
		45,572.51	109,294.29		
Cagayan:					
Payment in lieu of land tax.....	32,020.38				
Refund of court costs.....	1,932.12				
		33,952.50	49,178.88		15,226.38
Capiz:					
Payment in lieu of land tax.....	11,737.00				
Refund of court costs.....	1,288.70				
Cancellation of loan.....	55,000.00				
		68,025.70	29,159.73	38,865.97	
Cavite:					
Payment in lieu of land tax.....	5,187.41				
Refund of court costs.....	282.60				
Cancellation of loan.....	43,461.53				
		48,931.54	64,700.55		15,769.01
Cebu:					
Administrative expenses—					
Act No. 1393.....	1,800.00				
Act No. 1660.....	3,000.00				
Payment in lieu of land tax.....	43,082.71				
Refund of court costs.....	8,223.22				
Cancellation of loan.....	77,500.00				
		128,605.43	73,324.89	55,280.54	
Ilocos Norte:					
Payment in lieu of land tax.....	16,749.18				
Refund of court costs.....	4,982.79				
		21,741.97	23,947.83		2,205.86
Ilocos Sur:					
Payment in lieu of land tax.....	10,642.33				
Refund of court costs.....	2,189.64				
		12,831.97	76,494.06		63,662.09
Iloilo:					
Payment in lieu of land tax.....	38,353.36				
Refund of court costs.....	4,347.94				
Cancellation of loan.....	50,000.00				
		92,701.30	78,995.52	13,705.78	
Isabela:					
Payment in lieu of land tax.....	16,029.49				
Refund of court costs.....	1,076.12				
		17,105.61	13,758.75	3,346.86	
La Laguna:					
Payment in lieu of land tax.....	(6,730.93)				
Refund of court costs.....	8,794.23				
Cancellation of loan.....	50,000.00				
Construction and improvement roads, Act No. 1668.....	20,000.00				
		77,063.30	154,588.28		77,524.98
La Union:					
Payment in lieu of land tax.....	8,735.16				
Refund of court costs.....	2,136.32				
Cancellation of loan.....	37,000.00				
		47,873.48	50,067.18		2,193.70

Statement of income and expenditures of the insular government, fiscal year ended June 30, 1908—Continued.

EXPENDITURES—Continued.

AID TO PROVINCES (9)—Continued.

	Amount.	Fiscal year 1908.	Fiscal year 1907.	Increase.	Decrease.
Lepanto-Bontoc:					
Administrative expenses.....	P26,600.00				
Payment in lieu of land tax.....	297.49				
Refund of court costs.....	252.65	P27,130.14	P25,350.00	P1,780.14	
Leyte:					
Administrative expenses.....	7,500.00				
Payment in lieu of land tax.....	18,946.43				
Refund of court costs.....	3,788.86	29,738.28	67,475.60		P37,740.22
Mindoro:					
Administrative expenses.....	21,000.00				
Refund of court costs.....	1,111.75				
Cancellation of loan.....	5,000.00	27,111.75	28,500.00		1,388.25
Misamis:					
Payment in lieu of land tax.....	9,637.12				
Refund of court costs.....	1,587.49				
Moro:					
Refund of court costs.....	1,033.24	11,224.61	24,762.15		13,537.54
Nueva Ecija:					
Payment in lieu of land tax.....	27,181.66				
Refund of court costs.....	217.25				
Cancellation of loan.....	21,000.00	1,033.24		1,033.24	
Nueva Vizcaya:					
Administrative expenses.....	20,600.00	48,368.91	47,923.29	475.62	
Refund of court costs.....	133.43				
Occidental Negros:					
Payment in lieu of land tax.....	25,733.82	20,733.43	20,600.00	133.43	
Refund of court costs.....	4,458.07				
Cancellation of loan.....	16,000.00				
Oriental Negros:					
Payment in lieu of land tax.....	3,263.12	46,189.86	86,803.92		40,614.03
Refund of court costs.....	742.43				
Cancellation of loan.....	16,000.00	20,005.55	28,139.40		8,133.85

Capital expenditures, public works from insular revenue.

Construction water-supply system at Cullon leper colony, Act No. 1580.....	P3,146.74
Construction roads and bridges, Act No. 1.....	5,940.77
Construction San Lazaro Insane Hospital, Act No. 1580.....	32,374.50
Construction hospital building, Bilibid Prison, Act No. 1580.....	68,562.59
Construction schoolhouses in provinces and city of Manila.....	53,774.59
Construction constabulary barracks and quarters, Act No. 1580.....	53,417.16
Retaining walls and repairs, Malscañang, Act No. 1580.....	8,175.43
Grading grounds for bureau of science, Act No. 1580.....	4,022.25
Construction governor-general residence at Bagulo.....	27,216.17
Construction high-school building at Bacolod, Act No. 1662.....	3,000.00
Construction fireproof vault, court of land registration, Act No. 1662.....	2,400.00
Construction immigration and detention station on Pasig River, Act No. 1662.....	10,000.00
Construction hospital building at Bagulo, Act No. 1662.....	30,630.74
Construction San Miguel de Mayumo-Silub Springs road.....	38,622.97
Restoration Magallanes Monument, Macatun, Cebu.....	1,743.89
Construction Pagbilao-Atimonan road, Act No. 1662.....	19,108.31
Artesian wells, Act No. 1837.....	44,378.96
Improvement port of Manila, Act No. 22.....	8,201.39
Wharf abutments Manila, Act No. 1580.....	7,315.99
Completion Luneta extension fill, Act No. 1580.....	14,925.95
Light-house construction, Batag Island, Act No. 1662.....	62,022.91
Repairs to breakwater and Luneta extension, Act No. 1660.....	854.46
Clearance Bayabas and Norragaray rivers, Act No. 1662.....	4,130.71
Dredging lower Cagayan River, Act No. 1660.....	3,456.78
Repairs to Cebu wharf, Act No. 1660.....	902.40
Purchase sanitary beds, Bilibid, Act No. 1580.....	7,373.29
Construction Cebu-Toledo road, Act No. 1688.....	63,535.76
Permanent bridges and completion Tabaco-Ligao road, Act No. 1688.....	2,164.05
Permanent bridges and completion Bay-Tiaong road, Act No. 1688.....	38,911.81
Permanent bridges and completion Calamba-Loe Banos-Bay road.....	25,491.97
Improvement Benguet road, Act No. 1688.....	31,774.19
Construction Pasay-Camp Hayson road, Act No. 1688.....	50,731.02
Construction and maintenance of roads and bridges at discretion of secretary of commerce and police, Act No. 1688.....	45,230.19
Construction of General Hospital, Manila, Act No. 1688.....	1,761.26
Construction walls on south side Pasig River, Act No. 1688.....	13,995.66
Construction of building at Alabang for bureau of agriculture, Act No. 1688.....	27,413.41
Construction of building at Bagulo for bureau of agriculture, Act No. 1688.....	4,145.55
Construction of stallion barn at Trinidad for bureau of agriculture.....	1,368.39
Construction of calf stable, bureau of science, Act No. 1688.....	678.00
Roofing wharf, Mariveles, Act No. 1688.....	65.51
Construction of constabulary barracks and quarters, Act No. 1688.....	43,737.91
Construction of storeroom for acids and chemicals, bureau of customs, Act No. 1688.....	1,183.66
Restoration of buildings on friar lands estates, Act No. 1688.....	13,159.89
Construction and maintenance of irrigation plants on friar lands estates, Act No. 1688.....	41,832.54
Improvement Bagulo town site, Act No. 1688.....	20,276.60
Construction of guard quarters, Bilibid Prison, Act No. 1688.....	12,000.00
Reinforcement with concrete, Intendencia building, Act No. 1688.....	9,500.33
Placing additional riprap on breakwater, Manila, Act No. 1688.....	12,226.00
Construction of signal tower on Engineer Island, Act No. 1688.....	2,967.54
Construction second story warehouse, Engineer Island, Act No. 1688.....	43,289.85
Construction of school buildings and teachers' quarters, non Christian tribes, Act No. 1688.....	20,657.31
Permanent roads and bridges allotment at discretion of secretary of commerce and police, Act No. 1688.....	58.33
Painting and repairing Manila custom-house, Act No. 1688.....	2,123.76
Anchors and buoys, Acts Nos. 490 and 807.....	2,711.05
Purchase settlers' rights Iwahig penal settlement, Act No. 1580.....	25.00
Construction Cebu-Toledo trail, Act No. 1580.....	5,000.00
Placing fourth-order light on Suluan Island.....	8.32
Construction Taytay-Antipolo road, Act No. 1662.....	5,000.00
Light-house construction, Act No. 1246.....	760.43
Total.....	1,059,511.56

Current accounts.

	Debit.	Credit.	Net credit to surplus.
Loans to provinces from principal account.....		P844,441.77	
Moro Province, paid on account-current.....		45,101.88	
City of Manila:			
Reduction of the account during the year.....		454,378.28	
Part payment of Luneta extension loan.....		100,000.00	
Proportion of unexpended balances of appropriations.....		73,042.72	
Total.....			P1,516,964.66

Appropriations of working capital for self-sustaining bureaus and funds. (Net charge to surplus.)

The Insurance fund.....	P250,000.00
Friar lands loan fund.....	100,000.00
Iwahig general store.....	500.00
Total.....	350,500.00

Summary of transactions affecting the surplus.

Item.	Fiscal year 1908.			Fiscal year 1907.		
	Amount.	Debit.	Credit.	Amount.	Debit.	Credit.
By surplus: June 30, 1907— Appropriated..... Unappropriated..... June 30, 1908— Appropriated..... Unappropriated..... Less amount credited in error as internal revenue in fiscal year 1907 report.	₱ 6,129,807.29 6,731,823.08			₱ 4,642,114.04 5,828,954.91		₱ 6,171,089.85
Revenues: Customs..... Internal revenue..... Franchises..... Miscellaneous.....	16,035,783.60 4,917,831.88 63,370.19 779,337.21		11,853,658.93	16,592,447.28 5,369,149.26 51,693.29 771,256.74		
Other receipts affecting the surplus: City of Manila account-current..... Loans to provinces brought into account..... Part payment Luneta extension loan (city of Manila)..... 30 per cent of city of Manila appropriation balances reverted..... Moro Province account-current..... Repayment military government appropriation.....	454,378.28 844,441.77 100,000.00 73,042.72 45,101.88 110.00		21,798,622.88			22,784,514.55
To expenditures: Executive department..... Department of the Interior..... Department of commerce and police..... Department of finance and justice..... Department of public instruction..... The judiciary..... Miscellaneous general expenses..... Fixed charges..... Contribution to the city of Manila..... Aid to provinces..... Public works from revenue.....	1,752,113.50 2,277,295.96 6,247,216.81 1,634,369.82 3,868,114.40 620,487.40 355,176.33 1,999,609.97 1,246,224.60 1,983,639.94 1,059,511.56		1,517,074.65	1,116,208.34 2,158,628.26 5,513,124.87 1,589,461.03 3,881,141.18 499,055.73 154,253.79 383,940.00 1,111,955.87 2,114,549.17 272,294.20		483,137.91
Loans to provinces and accounts-current.....		₱ 22,443,760.28			₱ 18,784,433.04 182,865.77	

Summary of transactions affecting the surplus—Continued.

Item.	Fiscal year 1908.			Fiscal year 1907.		
	Amount.	Debit.	Credit.	Amount.	Debit.	Credit.
To expenditures—Continued.						
Other disbursements affecting the surplus:						
Capital operations, excess of expenditures.....		P145,811.00				P1,414,443.21
Receipts.....						
Reimbursement of public works and permanent improvement fund (bond issue) for loan to city of Manila.....		350,000.00			P6,400.74	
Bad debts, etc.....						
Surplus forward to:						
Fiscal year 1900—						
Appropriated.....	P8,738,208.63					
Unappropriated.....	3,401,476.54					
Fiscal year 1908—						
Appropriated.....		12,229,685.17		P6,159,607.29	11,891,435.97	
Unappropriated.....				6,731,828.68		
Total.....		35,169,255.46	P35,169,255.46		30,863,165.52	30,863,165.52

The surplus account, available for appropriation.

Item.	Fiscal year 1908.		Fiscal year 1907.			
	Amount.	Debit.	Credit.	Amount.	Debit.	Credit.
By balances: June 30, 1907—						
In the treasury.....						
In the hands of collecting officers.....						
June 30, 1908—						
In the treasury.....						
In the hands of collecting officers.....						
Revenues—						
Fiscal year 1908.....						
Fiscal year 1907.....						
Reversions of unexpended balances (see abstract, p. 504).....						
Reduction of city of Manila debt.....						
Reduction of Moro Province debt.....						
To appropriations (see summary, p. 504):.....						
Fiscal year 1908.....						
Fiscal year 1907.....						
To amount on hand collecting officers June 30, 1907, credited in error to Insular						
Instead of provincial and municipal internal revenue.....						
Balance forward to:						
Fiscal year 1908—						
In the treasury.....						
In the hands of collecting officers.....						
Fiscal year 1907—						
In the treasury.....						
In the hands of collecting officers.....						
Total.....						

Abstract of appropriations, fiscal year 1908.

BUREAUS AND OFFICES.

Act No. 1679:	
The executive.....	P138,200.00
The Philippine Commission.....	100,000.00
The Philippine Assembly.....	500,000.00
Executive bureau.....	474,000.00
Bureau of audits.....	366,600.00
Bureau of civil service.....	78,300.00
Bureau of health.....	1,290,000.00
Bureau of lands.....	568,000.00
Bureau of science.....	307,700.00
Bureau of agriculture.....	300,000.00
Bureau of forestry.....	111,000.00
Bureau of quarantine service.....	128,000.00
Weather bureau.....	123,500.00
Bureau of constabulary.....	3,050,000.00
Bureau of public works.....	627,300.00
Bureau of navigation, navigation division.....	722,000.00
Bureau of navigation, light-house service.....	313,000.00
Bureau of navigation, division of port works.....	253,000.00
Bureau of posts.....	688,000.00
Bureau of coast and geodetic survey.....	205,000.00
Consulting architect.....	12,000.00
Supervising railway expert.....	111,500.00
Bureau of justice.....	162,000.00
Bureau of customs.....	840,000.00
Bureau of internal revenue.....	578,000.00
Bureau of the forestry.....	142,500.00
Bureau of education.....	3,510,000.00
Philippine medical school.....	147,000.00
Bureau of prisons, prison division.....	583,200.00
Bureau of prisons, general store, Iwahig.....	500.00
Judiciary.....	810,000.00
Fidelity bond premiums.....	25,000.00
General purposes.....	50,000.00
Act No. 1785:	
The Philippine Commission.....	38,500.00
Executive bureau.....	20,000.00
Judiciary (subject to approval governor-general).....	25,000.00
Bureau of agriculture.....	10,000.00
Act No. 1789: Bureau of constabulary.....	500.00
Act No. 1802: Salaries and travelling expenses private secretaries to Resident Commissioners at Washington.....	5,500.00
Act No. 1828:	
The executive.....	25,800.00
The Philippine Commission.....	10,000.00
Act No. 1493: Postal Savings Bank (excess cost of operation).....	16,953.55
Act No. 1850: The Philippine Assembly (deficiency).....	65,000.00
Total.....	17,822,553.55

MISCELLANEOUS GENERAL EXPENSES.

Act No. 1632: Scholarship maintenance expenses—Philippine Medical School (omitted in fiscal year 1907).....	P15,000.00
Act No. 1679:	
Services of coast guard cutters and launches in connection with restoration of public order in Leyte and Samar.....	13,670.00
Services of coast guard cutter carrying election forms to Batanes Islands.....	1,550.00
Suppression of head hunting.....	6,000.00
Pay of Cavite police.....	7,680.00
Expenses of Secretary of War and party.....	15,000.00
Economic Association of the Philippines.....	2,880.00
Coal for United States Fish Commission boat <i>Albatross</i>	15,000.00
Transportation service between Dagupan and Baguio.....	19,200.00
Act No. 1715: Subsidies to contract steamship owners.....	230,000.00
Act No. 1728: The insurance fund.....	250,000.00
Act No. 1736: Prior lands loan fund.....	100,000.00
Act No. 1739: Fidelity bond premiums.....	40,000.00
Act No. 1767: Bounties to tobacco growers in Cagayan, Isabela, Union, and other provinces.....	13,250.00
Act No. 1785:	
Services of a coast guard cutter for provinces of Leyte and Samar.....	1,000.00
Supplies lost in Cagayan River during a flood.....	1,605.50
Purchase of two boats for Mindoro and Samar.....	25,000.00
Expenses of Secretary of War and party.....	5,000.00
Expenses of board of rate regulation.....	5,000.00
Relief and return to the Philippines of shipwrecked and destitute seamen.....	2,000.00
Promotion of business and industrial interests of the Philippines.....	25,000.00
Philippine Carnival Association for printing and postage.....	10,000.00
Settlement of unpaid claims against the Albay law and order funds.....	2,000.00
Act No. 1805: Aid to Philippine carnival.....	10,000.00
Act No. 1809: Relief of sufferers from public calamities.....	100,000.00
Act No. 1820: Salary and travelling expenses of delegate and subordinate personnel to International Navigation Conference at St. Petersburg.....	34,000.00
Act No. 1827: Combating and exterminating cattle diseases in the islands.....	100,000.00

Act No. 1836: Traveling expenses and subsistence of two delegates to Tuberculosis Congress at Washington, D. C.	P 4,000.00
Act No. 1837: Prize for the invention of a nipa roof substitute.	15,000.00
Act No. 1849: The Philippine Public Library.	4,000.00
Act No. 1860: Entertainment of American naval fleet.	75,000.00
Act No. 1870: The University of the Philippines.	100,000.00
Act No. 1320: Payments to Sultan of Sulu and advisers.	16,067.33
Total	1,263,892.83

FIXED CHARGES AND CONTRIBUTION TO EXPENSES OF CITY OF MANILA.

Act No. 1729: Creation payment to public works and permanent improvement bonds sinking fund (1907 and prior years).	P 404,204.13
Annual payment to above, 1908.	142,848.44
Act No. 1749: Payment to friar lands bond sinking fund (1907 and prior years)	331,184.93
Annual payment to above, 1908.	128,639.39
Interest on public works and permanent improvement bonds, 1907.	30,000.00
Annual payment of interest on same, 1908.	280,000.00
Act No. 1735: Payment of interest accrued on Philippine Railroad bonds, 1908.	112,116.52
Cost of exchange on remittances to the United States for payment of interest on bonds as follows:	
Public works and permanent improvement bonds.	2,662.50
Friar lands bonds.	4,200.00
Philippine Railroad bonds.	1,331.55
Act No. 193: 30 per cent Insular contribution to the city of Manila.	1,246,224.60
Act No. 1749: Annual payment to meet deficit in friar lands collection account for the payment of interest on friar lands bonds, 1908.	292,462.51
Total	2,975,834.57

FOR AID TO PROVINCES.

Act No. 1679: Benguet Province.	P 26,000.00
Lepanto-Bontoc Province.	26,600.00
Mindoro Province.	21,000.00
Nueva Vizcaya Province.	20,600.00
Palawan Province.	15,500.00
Act No. 1764: Refund of court costs to various provinces.	75,000.00
Act No. 1785: Payment of salary and official expenses of the lieutenant-governor of Samar.	20,000.00
Act No. 1686: Payments to provinces in lieu of land tax.	557,022.51
Act No. 1693: Aid to Province of Agusan and subprovinces.	15,174.54
Act No. 1815: Restoration of loan to Tarlac Province.	41,666.67
Act No. 1688: Construction and improvement of roads in La Laguna Province.	20,000.00
Total	838,563.72

LOAN TO CITY OF MANILA.

Act No. 1745: Transfer of loan made by Act No. 1360 from public works and permanent improvement fund	P 350,000.00
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PUBLIC WORKS AND PERMANENT IMPROVEMENTS FROM INSULAR REVENUE.

Act No. 1688: Construction of Loboc-Bilar road.	P 100,000.00
Completion of Cebu-Toledo road.	167,000.00
Construction of permanent bridges and completion of—	
Carcar-Barili road.	103,000.00
Tobaco-Ligao road.	186,000.00
Bay-Tiaong road.	42,300.00
Construction of permanent bridges, Calamba-Los Baños-Bay road.	32,000.00
Completion of Capas-Iba-O'Donnell road.	98,200.00
Improvement of Benguet road.	38,000.00
Construction of Pasay-Camp Hayson road.	54,125.00
Construction, improvement, and maintenance of roads and bridges in the discretion of the secretary of commerce and police.	500,000.00
Construction of General Hospital at Manila.	780,000.00
Construction and maintenance of irrigation plants and systems in the provinces in the discretion of the secretary of commerce and police.	250,000.00
Construction of walls on the south side of Pasig River.	168,450.00
Filling behind Pasig River walls.	26,700.00
Construction of buildings for bureau of agriculture at—	
Alabang.	39,100.00
Baguio.	8,250.00
Barn at Trinidad stock farm.	2,129.00
Construction of calf stable, extension of vaccine stable, and purchase and installation of gas plant for bureau of science.	13,500.00
Roofing of wharf, Mariaveles Quarantine Station.	4,400.00
Construction of constabulary barracks and quarters.	100,000.00

Act No. 1688—Continued.

Construction of fireproof vault in the Oriente Building.....	P 10,400.00
Construction of storehouse for acids and chemicals, bureau of customs.....	2,000.00
Construction and restoration of buildings on friar lands estates for bureau of lands.....	14,500.00
Construction and restoration of irrigation plant at Bayombong, Nueva Vizcaya.....	11,775.00
Reconstruction and relocation of Magallanes monument.....	5,000.00
Improvement of Baguio town site.....	20,000.00
Construction of guards' quarters at Bilibid prison.....	12,000.00
Substitution of reinforced concrete in the Intendencia Building.....	10,000.00
Placing riprap on breakwater at Manila.....	12,225.00
Construction of signal tower on Engineer Island.....	3,000.00
Construction of second story to warehouse on Engineer Island.....	21,500.00
Construction of school buildings in general and quarters for teachers in non-Christian tribes' districts.....	350,000.00
Buildings and gas plant for Philippine Medical School.....	251,000.00
Construction and restoration of irrigation plants and systems on friar lands estates for bureau of lands.....	45,500.00
Act No. 1783: Construction and improvement of permanent roads and bridges under allotment of the secretary of commerce and police.....	200,000.00
Act No. 1785: Painting and repair of Manila custom-house.....	7,500.00
Act No. 1801: Construction of schoolhouses in barrios.....	250,000.00
Act No. 1837:	
Expenses incident to preparing plans, etc., for the Philippine Islands Capitol Building.....	100,000.00
Restoration of buildings on friar lands estates subject to allotment and approval by the secretary of the interior.....	60,000.00
Improvement of government lands around Sibul Springs.....	10,000.00
Artesian wells.....	150,000.00
Construction of additional wards for contagious diseases at San Lazaro Hospital.....	30,000.00
Construction and equipment of animal quarantine station at Manila.....	85,000.00
Construction of a forage plant and artesian well for the bureau of agriculture.....	18,000.00
Additions to Benguet Sanitarium at Baguio.....	11,000.00
Construction of Cebu customs and arrastre building.....	200,000.00
Raising grade of Engineer Island.....	4,000.00
Construction of a lumber shed on Engineer Island.....	6,000.00
Laying additional track on Engineer Island.....	1,000.00
Purchase of a launch of the <i>Ranger</i> type for the bureau of navigation.....	40,000.00
Construction of a gasoline ketch for bureau of navigation.....	12,000.00
Construction of fourth-order light on Sulu Island.....	60,000.00
Purchase and installation of minor lights, improvement of existing lights, and substitution of iron and concrete for wood towers and houses.....	35,000.00
Buoys and beacons.....	15,000.00
Construction of walls on the south side of Pasig River.....	47,000.00
Construction of additional river wall and widening Muelle Loney, Iloilo.....	110,000.00
Filling new hospital grounds at Bilibid prison.....	12,000.00
Construction of sanitary beds in new hospital at Bilibid prison.....	3,000.00
Act No. 1856: Purchase and preparation of lands for animal quarantine stations in Manila, Iloilo, and Cebu.....	150,000.00
Act No. 1745: Construction of Cavite boulevard.....	100,000.00
Total.....	5,199,155.00

Summary of appropriations, fiscal year 1908.

Bureaus and offices.....	P 17,522,553.55
Miscellaneous general expenses.....	1,263,892.83
Fixed charges and contribution to the city of Manila.....	2,975,834.57
Aid to provinces.....	835,553.72
Loan to city of Manila.....	350,000.00
Public works and permanent improvements from revenue.....	5,199,155.00
Total.....	28,149,999.67

Abstract of unexpended balances of appropriations reverted June 30, 1908.

The Philippine Commission.....	P 24,846.00
The Philippine Assembly.....	6,228.07
The executive.....	12,982.03
Executive bureau.....	21,508.47
Bureau of audits.....	1,425.81
Bureau of civil service.....	96.78
Bureau of health.....	659,111.25
Bureau of lands.....	123,666.29
Bureau of science.....	96,663.57
Bureau of agriculture.....	10,685.45
Bureau of forestry.....	3,336.85
Bureau of quarantine service.....	52,434.84
Weather Bureau.....	3,550.97
Bureau of Navigation:	
Navigation division.....	119,850.54
Light-house service.....	79,904.09
Division of port works.....	11,325.67
Bureau of posts.....	224,448.50
Bureau of coast and geodetic survey.....	37,302.81
Supervising railway expert.....	29,261.42

Bureau of justice.....	₱62,288.65
Bureau of customs.....	151,888.03
Bureau of internal revenue.....	54,767.40
Bureau of treasury.....	23,553.26
Bureau of education.....	173,858.97
Bureau of prisons: Prison division.....	7,367.52
Philippine Medical School.....	31,979.53
The judiciary.....	231,160.14
Bureau of public works.....	13,951.06
San José litigation.....	1,876.27
Expenses, registration of property, municipality of Cebu.....	200.00
Pay of Cavite police.....	2,725.58
Extra compensation of treasury examiners.....	2.00
Miscellaneous, fiscal year 1901.....	110.00
Commissary stores (bureau of constabulary).....	200,000.00
City of Manila.....	73,042.72
Total.....	2,549,421.53

CAPITAL OPERATIONS.

Under this caption are grouped those reimbursable appropriations for specific purposes whose transaction under existing law do not ordinarily affect the surplus available for appropriation, with one exception, the cold-storage division of the bureau of supply. In this case the net profits are carried to the account miscellaneous revenue. Practically all liabilities of these funds are included in the statements submitted herewith, so that the cash balance as shown, plus the value of the plants and current assets, reliable figures for which are not available, represent the real value of the funds. In some instances the current assets are shown in a footnote.

During this fiscal year three additional funds were established, the insurance fund, a reserve against loss of Government property by fire or earthquake, the friar lands loan fund to aid the tenants resident upon the friar lands estates belonging to the government, and a small fund (₱500) for the establishment of a general store at the Iwahig penal colony.

The cold-storage division of the bureau of supply produced a net revenue of ₱339,873.89 which has been carried to the surplus account, but no reserve for depreciation has yet been authorized in this case. The sum of ₱350,000, has been taken from the capital account of the bureau of supply, supply division, and credited to an appropriation for the construction of fireproof storehouses. The sum of ₱200,000, has been returned to the surplus from the capital account of the commissary stores fund, being no longer necessary for that purpose.

Attention is again called to the fact that some of these funds have capital beyond their needs for the prosecution of their functions, and the charges to the public and other bureaus of the government should be reduced.

DEPARTMENT OF THE INTERIOR.

PROCEEDS OF OPIUM LICENSES.

Under the provisions of Act. No. 1461, an act for the purpose of restricting the sale and use of opium until March 1, 1908, when its importation or use for any but medicinal purposes is forbidden by act of Congress, taxes are collected and the proceeds distributed as follows:

(1) To municipalities in which collected: Chinese opium users' certificates of registration, ₱5 each.

(2) To opium fund, Act No. 1461: License tax on wholesale and retail dealers, internal-revenue tax on opium in the islands April 1, 1906, on imports of opium, and on the preparation of opium.

This special fund must be devoted solely to the following purposes:

(1) The printing and dissemination among the people of information as to the evils resulting from the use of opium;

(2) The payment of the reasonable expenses, in some reputable hospital, of those desiring to cure themselves of the opium habit;

(3) The payment of the expenses of such Filipino students as may be sent by the insular government to the United States for education;

(4) The payment of salaries of Filipinos who have been appointed insular teachers;

(5) The construction of schoolhouses and school buildings in the various municipalities of the islands, provided that 25 per cent of all fines imposed by reason of violations of the act shall be paid to the person who furnished the original evidence, and substantiated it, which led to the detection of the offense and the imposition of the fine. The name of the informer shall be specified in the judgment of the court when conviction is had in the court.

The account.

	Debit.	Credit.
Section 26, Act No. 1461:		
Balance in fund June 30, 1907.....		P591,314.85
Receipts during the year.....		232,356.67
Expenditures—		
Rewards to informers.....	P3,798.30	
Hospital expenses—		
Special services.....	373.62	
Incidental expenses.....	6,470.24	
Balance forward to fiscal year 1909.....	813,028.86	
Total.....	823,671.02	823,671.02
Section 27, Act No. 1461:		
Receipts during the year.....		37,506.23
Expenditures.....	20,834.10	
Balance forward to fiscal year 1909.....	16,671.13	
Total.....	37,506.23	37,506.23

FRIAR LANDS LOAN FUND (BUREAU OF LANDS).

This fund was established for the purpose of making mortgage loans upon growing crops and salable commodities manufactured therefrom, work animals, warehouses, mill houses and machinery, and other property, both real and personal, belonging to actual and bona fide cultivators of the so-called friar estates, for the encouragement of agricultural pursuits and the extension of the cultivated areas of the said estates.

	Debit.	Credit.
By appropriation, Act No. 1745.....		P100,000.00
To loans made during the year.....	P11,690.00	
Balance forward to fiscal year 1909.....	88,310.00	
Total.....	100,000.00	100,000.00

LIBRARY FUND (BUREAU OF SCIENCE).

	Debit.	Credit.
By receipts during the year.....		P2,648.00
To balance forward to fiscal year 1909.....	P2,648.00	
Total.....	2,648.00	2,648.00

DEPARTMENT OF COMMERCE AND POLICE.

COMMISSARY STORES (BUREAU OF CONSTABULARY).

	Debit.	Credit.
Balance in fund June 30, 1907.....		P232,058.81
Receipts during the year.....		33,607.28
Balances due from officers on prior year transactions verified and taken up as of July 1, 1907.....		12.81
Expenditures:		
Supplies.....	P24,937.17	
Transportation.....	6,318.06	
Prior fiscal years.....	1,162.33	
Reversion to general fund.....	200,000.00	
Balance forward to fiscal year 1909.....	33,258.84	
Total.....	265,674.40	266,674.40

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MARINE RAILWAY AND REPAIR SHOP (BUREAU OF NAVIGATION).

	Debit.	Credit.
Balance in fund June 30, 1907.....		₱63,653.69
Receipts during the year.....		455,605.89
Expenditures:		
Construction of buildings.....	₱333.45	
Stationary machinery.....	1,533.97	
Office expenses.....	172.50	
Maintenance—		
Permanent buildings.....	283.07	
Docks.....	212.88	
Vessels and launches.....	4.80	
Stationary machinery.....	960.46	
Furniture and fixtures.....	11.31	
Miscellaneous equipment.....	99.87	
Operations—		
Superintendence.....	19,815.82	
Labor.....	199,591.33	
Material.....	239,667.48	
Miscellaneous expenses.....	2,154.55	
Prior fiscal years.....	206.25	
Balance forward to fiscal year 1909.....	54,082.84	
Total.....	519,259.58	519,259.58

BAGUIO TOWN-SITE IMPROVEMENT FUND (BUREAU OF PUBLIC WORKS).

Under the provisions of Act No. 1527 the proceeds of the sales of lots from the Baguio town site are devoted to the public improvements of the town.

The account.

	Debit.	Credit.
Balance in fund June 30, 1907.....		₱291.95
Receipts during the year.....		11,563.36
Expenditures during the year: Construction of streets, roads, and bridges...	₱13,233.12	
Balance overdrawn June 30, 1908.....		1,377.81
Total.....	13,233.12	13,233.12

DEPARTMENT OF FINANCE AND JUSTICE.

COAL SUPPLY FUND (BUREAU OF CUSTOMS).

	Debit.	Credit.
To balance June 30, 1907.....	₱1,886.17	
By receipts during fiscal year 1908.....		₱155,626.34
To expenses:		
Operation—		
Purchase of coal.....	120,287.39	
Weight, insurance, etc.....	8,756.29	
Salaries.....	1,999.64	
Labor.....	485.83	
Expenses of prior fiscal years.....	98.95	
Maintenance of—		
Launches.....	743.74	
Tools and implements.....	698.89	
To purchase of tools and implements.....	280.52	
Balance forward to fiscal year 1909.....	20,418.92	
Total.....	155,626.34	155,626.34

There were 1,934,717 tons of coal, valued at ₱27,875.77, on hand at the various stations June 30, 1908.

ARRASTRE PLANT, MANILA (BUREAU OF CUSTOMS).

	Debit.	Credit.
By balance June 30, 1907.....		P86,899.56
By receipts during the year.....		110,946.78
To expenditures during the year:		
Construction of docks, wharves, etc.....	P1,306.25	
Stationary machinery.....	3,551.90	
Portable machinery, implements, and tools.....	233.79	
Furniture and fixtures.....	27.50	
Miscellaneous equipment.....	336.60	
Maintenance of—		
Buildings and structures.....	867.10	
Docks and wharves.....	170.00	
Vessels and launches.....	625.93	
Stationary machinery.....	1,523.71	
Furniture and fixtures.....	206.40	
Operation—		
Superintendence.....	59,351.66	
Labor.....	28,453.37	
Miscellaneous expenses.....	6,678.12	
Obligations of prior fiscal years.....	396.31	
Balance forward to fiscal year 1909.....	94,117.70	
Total.....	197,846.34	197,846.34

THE INSURANCE FUND (BUREAU OF THE TREASURY).

Act No. 1728 created and set apart a reserve for the purpose of providing so far as possible the means of replacing or repairing government vessels and craft, government machinery, permanent public buildings, and government property therein which shall have been damaged or destroyed by earthquake, fire, lightning, flood, typhoon, tornado, hurricane, or cyclone. Provision was also made for an annual payment to the fund from the revenues of P50,000 until the fund shall amount to P500,000, and for the investment of the fund in interest-bearing securities.

The account.

	Debit.	Credit.
By appropriation, Act No. 1728.....		P250,000.00
By loans repaid.....		15,000.00
By interest collected.....		779.58
To loans made during the year.....	P151,500.00	
To balance forward to fiscal year 1909.....	114,279.58	
Total.....	265,779.58	265,779.58

PURCHASE OF SUPPLIES (BUREAU OF SUPPLY).

	Debit.	Credit.
By balance from fiscal year 1907.....		P1,269,878.21
By receipts from sales of supplies during the year.....		4,149,415.38
To transfer to appropriation for construction fireproof warehouses.....	P350,000.00	
To expenditures during the year:		
Permanent Improvements—		
Vessels and launches.....	P3,489.38	
Furniture and fixtures.....	5,788.98	
Supplies purchased.....	9,278.36	
Operation—	4,010,403.36	
Salaries of office force.....	181,002.70	
Labor.....	63,698.94	
Miscellaneous general expenses.....	162,097.23	
Maintenance of—		
Buildings and structures.....	64.89	
Furniture and fixtures.....	254.73	
Expenses of prior fiscal years.....	37,389.14	
Balance forward to fiscal year 1909.....	444,507.63	
	605,104.24	
Total.....	5,419,293.59	5,419,293.59

Besides the cash balance above set forth this division had on June 30, 1908, sales stock to the amount of P1,165,660.04 and accounts receivable P363,167.02.

DEPARTMENT OF PUBLIC INSTRUCTION.

COLD-STORAGE DIVISION (BUREAU OF SUPPLY).

	Debit.	Credit.
Balance in fund June 30, 1907.....		₹7,493.85
Receipts during the year.....		629,386.21
Officer's balance brought into account.....		117.10
Expenditures:		
Land transportation equipment.....	₹648.54	
Portable machinery.....	481.00	
Furniture and fixtures.....	335.61	
Miscellaneous equipment.....	154.77	
Administration—		
Office expenses.....	1,376.04	
Maintenance—		
Permanent buildings.....	5,432.53	
Vessels and launches.....	6,796.76	
Land transportation equipment.....	2,016.09	
Stationary machinery.....	5,085.19	
Portable machinery.....	132.72	
Furniture and fixtures.....	1,569.54	
Miscellaneous equipment.....	1,362.81	
Operation—		
Superintendence.....	63,074.92	
Labor.....	65,875.33	
Miscellaneous expenses.....	133,182.35	
Prior fiscal years.....	1,102.26	
Profit on operation for the year, credit to income of the insular government, as miscellaneous revenue.....	339,873.89	
Balance forward to fiscal year 1909.....	8,503.81	
Total.....	636,997.16	636,997.16

This division had also current assets consisting of supplies ₹27,390.85 and accounts receivable ₹44,462.27 not included in above statement.

BUREAU OF PRINTING.

	Debit.	Credit.
Balance in the fund June 30, 1907.....		₹157,541.94
Receipts from operation during the year.....		473,937.22
Expenditures during the year:		
Permanent improvements—		
Land transportation equipment.....	₹1,001.37	
Stationary machinery.....	22,946.65	
Portable machinery, tools, and implements.....	8,843.23	
Furniture and fixtures.....	860.79	
Miscellaneous equipment.....	360.47	
Operation—		
Superintendence.....	134,950.69	
Labor.....	145,656.02	
Material.....	97,823.56	
Miscellaneous expenses.....	36,893.59	
Maintenance of—		
Buildings and structures.....	1,247.24	
Land transportation equipment.....	151.70	
Stationary machinery.....	3,882.95	
Portable machinery, tools, and implements.....	3,041.38	
Furniture and fixtures.....	25.00	
Prior fiscal years.....	8,328.27	
Balance forward to fiscal year 1909.....	1,006.06	
Total.....	631,479.16	631,479.16

Besides the cash balance here shown the bureau had current assets on June 30, 1908, as follows:

Supplies.....	₹114,439.93
Accounts receivable.....	16,639.71
Total.....	131,079.64

DEPARTMENT OF PUBLIC INSTRUCTION.

AMERICAN CIRCULATING LIBRARY (BUREAU OF EDUCATION).

	Debit.	Credit.
Balance in fund June 30, 1907.....		P276.41
Receipts during the year.....		3,188.25
Expenditures:		
Furniture and fixtures.....	P2,325.93	
Transportation.....	5.60	
Office expense.....	800.00	
Prior fiscal years.....	6.00	
Balance forward to fiscal year 1909.....	327.13	
Total.....	3,464.66	3,464.66

INDUSTRIAL DIVISION (BUREAU OF PRISONS).

	Debit.	Credit.
By balance brought forward from 1907.....		P91,753.28
By receipts from operation during the year.....		396,455.99
By value of equipment sold.....		3,075.00
To expenditures during the year:		
Permanent improvements—		
Portable machinery, tools, and implements.....	P343.80	
Supplies—		
Sales stock.....	15,506.76	
Operation—		
Superintendence.....	P31,141.16	
Labor.....	79,423.05	
Material.....	211,301.35	
Miscellaneous expenses.....	25,682.10	
Maintenance of—		
Portable machinery, tools, and implements.....	860.10	
Furniture and fixtures.....	5.00	
Expenses of prior fiscal years.....	61.70	
Balance forward to fiscal year 1909.....	348,474.46	
	128,959.25	
Total.....	493,284.27	493,284.27

This division had on hand June 30, 1908, a balance of sales stock of P5,666.13 besides the amount above set forth and accounts receivable of P22,341.58.

GENERAL STORE, IWAHIG PENAL SETTLEMENT (BUREAU OF PRISONS).

The sum of P500 was appropriated by Act No. 1679 to establish and maintain a general store for the sale of merchandise which may be required by residents of the settlement and for the purchase of produce which prisoners residing at the settlement may dispose of for their own profit.

The account.

	Debit.	Credit.
By appropriation.....		P500.00
By receipts during the year.....		1,302.25
To expenditures.....	P1,025.85	
To balance forward to fiscal year 1909.....	776.40	
Total.....	1,802.25	1,802.25

THE SUPREME COURT LIBRARY (THE JUDICIARY).

The establishment of this fund was authorized by Act No. 1860 for the purchase of books for the supreme court library and assigned to this fund the net receipts from fees collected from applicants for admission to the bar.

The account.

	Debit.	Credit.
By transfer from appropriation for the bureau of justice.....		₱5,000.00
By fees received during the year.....		4,140.00
To expenditures.....	₱2,085.45	
To balance forward to fiscal year 1909.....	7,044.55	
Total.....	9,140.00	9,140.00

SUMMARY OF CAPITAL OPERATIONS.

(NOTE.—Items in parentheses indicate excess of receipts over payments.)

	Payments.	Receipts.	Excess.
Department of the interior:			
Friar lands loan fund (bureau of lands).....	₱11,690.00		₱11,690.00
Library fund (bureau of science).....		₱2,648.00	(2,648.00)
Proceeds of opium licenses (bureau of internal revenue)...	31,478.26	269,861.90	(238,383.64)
Department of commerce and police:			
Commissary stores (bureau of constabulary).....	32,417.56	33,620.59	(1,203.03)
Marine railway and repair shop (bureau of navigation)....	465,176.74	455,606.59	9,570.15
Baguio town site improvements (bureau of public works)...	13,233.12	11,563.36	1,669.76
Department of finance and justice:			
Coal supply fund (bureau of customs).....	133,321.25	155,626.34	(22,305.09)
Arrastre plant Manila (bureau of customs).....	103,728.64	110,946.78	(7,218.14)
Insurance fund (treasury bureau).....	151,500.00	15,779.58	135,720.42
Department of public instruction:			
Purchase of supplies (bureau of supply).....	4,464,186.35	4,140,415.38	314,773.97
Division of cold storage (bureau of supply).....	288,619.46	289,629.42	(1,009.96)
Bureau of printing.....	458,670.72	473,937.22	(15,266.50)
Purchase of books, American circulating library (bureau of education).....	3,137.53	3,188.25	(50.72)
Industrial division (bureau of prisons).....	364,325.02	401,530.99	(37,205.97)
Iwahig store (bureau of prisons).....	1,025.85	1,302.25	(276.40)
The Judiciary:			
Supreme court library.....	2,065.45	4,140.00	(2,074.55)
Total.....	6,524,606.95	6,378,795.95	145,811.00

a Exclusive of the amount covered into the treasury as miscellaneous revenue.

MORO PROVINCE.

The following is a statement of the transactions of the Moro Province for the fiscal years 1907 and 1908, as they affect insular fiscal affairs. The customs revenues arising in the province accrue to and are deposited in the provincial treasury. The expenses of the customs service are paid from provincial funds. Beginning with the fiscal year 1908 the collections and expenditures are treated as purely provincial and the transactions are shown in Part II of this report. The only items in the statement pertaining to the fiscal year 1908 are the transfer of the undeposited balances, ₱1,234.66, in the hands of collecting officers June 30, 1907, and the two credit items, one for a deposit of ₱45,000 in the insular treasury and the other a collection of ₱101.88 made by the insular government on account of Moro Province.

DEBIT.

Balance due insular government June 30, 1906.....		₱30,631.92
Expenditures fiscal year 1907:		
Salaries and wages (customs employees).....	₱45,544.67	
Launches.....	2,862.29	
Contingent expenses.....	5,817.86	
Arrastre plant, Jolo.....	2,353.02	
Extra services, employees.....	421.55	
Permanent improvements.....	27.00	
Supplies.....	624.09	
Administrative—		
Salaries and wages.....	6,583.49	
Miscellaneous.....	269.48	
Miscellaneous charges.....	7.00	
		64,510.45
Amounts credited to officers and deposited in Moro treasury:		
Fiscal year 1907.....	385,914.64	
Fiscal year 1908.....	1,234.66	
		387,149.30
Total.....		532,291.67

CREDIT.

Fiscal year 1907:

Arrastre plant, Jolo.....	P3,040.04
Import duties.....	347,580.55
Wharfage.....	5,442.16
Tonnage.....	1,451.71
Fines, penalties, and forfeitures.....	789.04
Sale of stamps.....	4,413.70
Sale of blank forms.....	245.19
Export duties.....	5,535.02
Merchandise withdrawn from warehouses.....	1,547.40
Storage, labor and drayage.....	569.49
Licenses.....	642.52
Immigration tax.....	1,118.00
Miscellaneous fees.....	1,277.00
Extra services, employees.....	408.75
Sale of rolls.....	9.00
	P374,029.87

Accountable warrants issued on Moro Province treasury, fiscal year 1907..... 65,589.87

Fiscal year 1908:

Deposit in the insular treasury.....	45,000.00
Deduction from salary of R. H. Poggi.....	101.88
	45,101.88

Balance due insular government June 30, 1908..... 484,721.62

Total..... 532,291.67

CONGRESSIONAL RELIEF FUND.

	Debit.	Credit.
Balance in fund June 30, 1907.....		P206,335.90
By receipts:		
Sale of carabao.....		1,478.55
Pasacao-Nueva Caceres road.....		5.24
Relief to inhabitants of Batanes Islands.....		50.50
Loans to provinces (interest).....		82.22
Capas-O'Donnell-Iba road.....		3,210.64
Relief to inhabitants of Colasi.....		24.80
By transfers:		
Sale of carabao, Act No. 738.....		3,009.80
Lucena-Sariaya road.....		.01
Manufacture of serum and maintenance of animal quarantine station.....		68,973.85
Relief to municipality of Loon, Bohol.....		500.00
Restriction anthrax in Lepanto-Bontoc.....		2,500.00
To expenditures:		
Serum cattle.....	P611.39	
Purchase of farm animals.....	10,676.98	
Pagbilao-Atimonan road.....	1,897.79	
Lucena-Sariaya road.....	12,215.92	
Cebu-Toledo road.....	2,557.05	
Construction Tarlac dike.....	16,000.00	
Relief—		
Inhabitants of Batanes Islands.....	6.39	
Hollo fire sufferers.....	10,000.00	
Inhabitants of Imus, Cavite.....	500.00	
Municipality of Loon, Bohol.....	500.00	
Manufacture of serum and maintenance of animal quarantine station.....	75,076.60	
Capas-O'Donnell-Iba road.....	1,297.82	
Bay-Tisong road.....	467.30	
Magdalena-Santa Cruz road.....	162.30	
Restriction anthrax, Lepanto-Bontoc.....	2,500.00	
To transfers:		
Sale of carabao, Act No. 828.....	3,009.80	
Subject to resolution.....	2,500.00	
Do.....	500.00	
To transfers to appropriation for manufacture of serum and maintenance of animal quarantine station, Act No. 1799:		
Sale of farm animals.....	29,891.75	
Pagbilao-Atimonan road.....	398.00	
Pasacao-Nueva Caceres road.....	24.38	
Calamba-Los Baños road.....	192.24	
Cebu-Toledo road.....	174.01	
Benguet improvements—		
Act No. 1046.....	4.50	
Act No. 1137.....	66.67	
Relief—		
Inhabitants of Batanes Islands.....	336.91	
Inhabitants of Lumban.....	250.00	
Bay fire sufferers.....	350.00	
Inhabitants of Colasi.....	24.80	
Families of volunteers, Dagami.....	140.00	
Locust board.....	2,745.00	
Bay-Tisong road.....	185.60	

CONGRESSIONAL RELIEF FUND—Continued.

	Debit.	Credit.
To transfers to appropriation for manufacture of serum and maintenance of animal quarantine station, Act No. 1799—Continued.		
Not allotted subject to resolution.....	P24,083.82	
Sale of carabaos, Act No. 738.....	4,622.88	
Serum cattle.....	5,463.30	
To loans to provinces:		
Municipality of Malabon.....	15,000.00	
La Laguna.....	6,000.00	
Albay.....	24,000.00	
Pangasinan.....	15,000.00	
Municipality of Dagupan.....	7,500.00	
Balance forward to fiscal year 1909.....	99,227.36	
Total.....	376,180.56	P376,180.56

The following loans to provinces heretofore carried as assets were canceled by Act No. 1815:

	Debit.	Credit.
Albay.....	P65,000.00	
Bulacan.....	10,000.00	
Cavite.....	25,000.00	
Ilocos Sur.....	19,333.33	
Romblon.....	6,000.00	
		P125,333.33

THE GOLD-STANDARD FUND.

On July 1, 1903, the currency of the Philippines, theretofore upon a silver basis, was established upon a gold standard with the peso equivalent to 50 cents, United States currency, and this fund was constituted to maintain the parity of the currency and to control within reasonable limits the foreign exchanges, the treasurer being authorized to sell New York exchange in amounts of not less than \$5,000, United States currency, at rates fixed by him with the approval of the secretary of finance and justice. The transactions of the fund during the year were as follows:

Philippine currency account.

[NOTE.—Items in parentheses indicate overdrawn appropriation or balance due officer, as the case may be.]

	Debit.	Credit.
Balance in the fund June 30, 1907.....		P669,929.48
Receipts during the year:		
Coin from United States mints.....		17,201,000.00
Interest on deposits.....		292,857.42
Premiums on exchange.....		320,768.36
Sale of proof sets.....		624.00
Seized funds.....		4,277.31
Miscellaneous receipts.....		233.59
Local currency transferred from that account.....		39,100.70
Local currency transferred to that account.....	P8,032.57	
Expenditures during the year:		
Sixth series certificates of indebtedness paid.....	2,000,000.00	
Interest on same.....	13,333.33	
Coin shipped to United States mints (see "Mint account").....	15,942,827.00	
Purchase of silver bullion (see "Mint account").....	580,114.82	
Purchase of mutilated coin.....	77.14	
Expenses of coinage.....	431,890.44	
Printing currency.....	11,663.92	
Freight and insurance (United States shipments).....	34,095.06	
Miscellaneous expenses.....	48,552.99	
Balances:		
Insular treasurer..... (P655,265.19)		
Other officers..... 102,898.78		
	(552,363.41)	
Total.....	18,528,790.86	18,528,790.86

Local currency account.

	Debit.	Credit.
Balance June 30, 1907 (P50,700.07).....		Pfs. 65,910.09
Purchased during the year (P8,032.57).....		10,442.46
Sold during the year (book value, P49,906.03; received, P39,100.70).....	Pfs. 64,877.96	
Shipped to United States mints (value in Philippine currency, P8,826.61).....	11,474.59	
Total.....	76,352.55	76,352.55

United States Mint account.

	Debit.	Credit.
Balance due gold-standard fund June 30, 1907.....	P4,039,573.34	
To old coin shipped during the year.....	15,951,653.61	
To bullion delivered during the year.....	590,114.82	
By new coin received during the year.....		P17,201,000.00
By balance due gold-standard fund June 30, 1908.....		3,380,341.77
Total.....	20,581,341.77	20,581,341.77

Certificates of indebtedness.

Balance outstanding June 30, 1907.....	P2,000,000.00
Paid during the year (see Philippine currency account).....	2,000,000.00

THE FRIAR LANDS SINKING FUND.

During the fiscal year Act No. 1749 was passed consolidating the surplus proceeds of the sale of friar lands bonds with the sinking fund and reimbursing the fund for expenditures made therefrom for administration purposes. The act also provided for an annual payment to the fund of P140,000, less amounts received from sales of the lands, for five years, for an annual payment to the fund of P280,000, less sales as above for ten years, and for an annual payment to the fund of P294,000, less sales for the rest of the life of the bonds—thus providing for the amortization of the debt.

The account.

	Debit.	Credit.
By balance in the fund June 30, 1907.....		P711,901.53
By amount appropriated by Act No. 1749.....		331,184.93
By annual reserve, Act No. 1749.....	P140,000.00	
Less proceeds of sales of lands.....	11,370.61	
By proceeds of sales of lands.....		128,629.39
By interest received during the year.....		11,370.61
To investments during the year.....	P916,772.89	22,878.92
To disbursing officers' balance credited to this account in error June 30, 1907.....	866.66	
Balance forward to fiscal year 1909.....	288,325.83	
Total.....	1,205,965.38	1,205,965.38

PUBLIC WORK AND PERMANENT IMPROVEMENTS BONDS SINKING FUND.

Act No. 1729 enacted during the fiscal year made provision for the establishment and investment of a fund for the amortization of these bonds at their maturity, appropriated the sum of P404,204.13 to establish the fund and made provision for an annual payment from revenues to the fund of P20,406.92 for each P1,000,000 of bonds issued,

The account.

	Debit.	Credit.
By appropriation for 1907 and prior years.....		P404,204.13
By appropriation for 1908.....		142,848.44
To investments.....	P238,766.66	
To balance forward to fiscal year 1909.....	358,285.91	
Total.....	547,052.57	547,052.57

PUBLIC WORKS AND PERMANENT IMPROVEMENTS FROM PROCEEDS OF BONDS ISSUED.

Under authority of the Congress of the United States contained in section 2 of the act of February 6, 1905, the insular government has incurred a bonded debt of P7,000,000 (\$3,500,000 United States currency), for the construction of port and harbor works, bridges, roads, buildings for provincial and municipal schools, court-houses, and other public improvements for the development of the Philippine Islands. The operations of the fund so established have been as follows:

	Debit.	Credit.
Proceeds of first issue of bonds.....		P5,000,000.00
Premium on same.....		460,608.70
Proceeds second issue of bonds.....		2,000,000.00
Premium on same.....		167,494.00
Expenditures:		
Wright-Taft road, fiscal year--		
1905.....	P20,064.58	
1906.....	76,084.79	
1907.....	16,848.40	
1908.....	5,002.23	
Manila Harbor and Pasig River--		
1905.....	821,940.46	
1906.....	1,863,782.35	
1907.....	282,138.94	
1908.....	747,228.08	
Improvements--		
Port of Cebu--		
1905.....	4,964.21	
1906.....	243,337.36	
1907.....	286,072.07	
1908.....	464,009.16	
Port of Iloilo--		
1905.....	43,146.13	
1906.....	207,651.44	
1907.....	224,213.89	
1908.....	2,268.59	
Paranaque bridge, 1905.....	13,000.00	
Silang road and bridge, 1905.....	10,600.00	
Construction of light-houses--		
1905.....	67,076.55	
1906.....	137,097.51	
1907.....	20,852.53	
1908.....	4,973.41	
Improvements of Engineer Island--		
1905.....	880.69	
1906.....	12,129.13	
1907.....	9,546.23	
1908.....	8,443.95	
Marine railway and repair shop--		
1905.....	12,225.20	
1907.....	1,761.11	
Improvement Billibid Prison--		
1906.....	40,680.63	
1907.....	42,239.68	
Benguet improvements--		
1905.....	408,346.49	
1906.....	16,295.85	
1908.....	357.65	
Quarantine station, Cebu--		
1905.....	10.00	
1906.....	15,640.06	
1907.....	1,954.38	
1908.....	267.17	
Calamba-Los Baños road--		
1906.....	52,438.22	
1907.....	7,161.78	

	Debit.	Credit.
Expenditures—Continued.		
Causeway and wharf, Puerto Princesa—		
1907.....	P5,541.87	
1908.....	462.21	
Baguio-Trinidad road.....		
1906.....	1,191.65	
1907.....	1,308.38	
Maintenance of survey parties—		
1906.....	17,824.60	
1907.....	17,788.10	
1908.....	289.07	
Iloilo River wall, 1908.....	28.60	
Construction of abutments to wharves, sheds, improvement ports of Manila and Iloilo at discretion of secretary of commerce and police, 1908.....	34,588.53	
Miscellaneous public works—		
1906.....	74,242.02	
1906.....	41,206.50	
1907.....	7,347.68	
Balance forward to fiscal year 1909, appropriated.....	1,234,540.61	
Total.....	7,628,102.70	P7,628,102.70

PROVINCIAL AND MUNICIPAL INTERNAL REVENUE.

By the provisions of Act No. 1189, which established the present system of internal-revenue taxation, a definite proportion of the tax was assigned to the provinces and municipalities, distributable upon the basis of population. The following account is of that portion which pertains to the provinces and municipalities:

The account.

	Debit.	Credit.
Balance June 30, 1907.....		P508,789.41
By collecting officers' balances of June 30, 1907, credited in error to surplus.....		37,777.04
By collections:		
City of Manila.....		1,811,844.13
Agusan.....		763.35
Albay.....		38,685.22
Ambos Camarines.....		35,561.48
Antique.....		1,558.31
Bataan.....		6,426.14
Batangas.....		9,269.13
Benguet.....		1,758.59
Bohol.....		4,115.21
Bulacan.....		102,321.72
Cagayan.....		13,542.90
Capiz.....		17,106.32
Cavite.....		8,642.11
Cebu.....		50,896.90
Ilocos Norte.....		3,519.53
Ilocos Sur.....		16,837.90
Iloilo.....		46,192.00
Isabela.....		6,911.26
La Laguna.....		25,888.98
La Union.....		5,481.31
Lepanto-Bontoc.....		448.11
Leyte.....		43,950.59
Mindoro.....		2,346.50
Misamis.....		10,206.73
Moro.....		27,770.20
Nueva Ecija.....		6,300.96
Nueva Viscaya.....		438.23
Occidental Negros.....		12,125.00
Oriental Negros.....		4,743.51
Palawan.....		1,597.82
Pampanga.....		73,510.01
Pangasinan.....		71,195.67
Risal.....		14,396.27
Samar.....		27,932.91
Sorsogon.....		30,449.99
Surigao.....		9,012.03
Tarlac.....		15,265.80
Tayabas.....		30,632.64
Zambales.....		2,899.81

The account—Continued.

	Debit.	Credit.
To payments:		
City of Manila.....	P90,244.23	
Agusan.....	13,955.32	
Albay.....	104,895.05	
Ambos Camarines.....	97,622.45	
Antique.....	54,709.05	
Bataan.....	19,078.39	
Batangas.....	106,172.80	
Benguet.....	8,343.02	
Bohol.....	110,101.36	
Bulacan.....	77,841.38	
Cagayan.....	73,033.38	
Capiz.....	112,058.62	
Cavite.....	56,384.81	
Cebu.....	266,571.03	
Ilocos Norte.....	72,989.01	
Ilocos Sur.....	94,560.32	
Iloilo.....	167,314.62	
Isabela.....	31,166.36	
La Laguna.....	60,597.24	
La Union.....	54,784.61	
Lepanto-Bontoc.....	28,863.22	
Leyte.....	161,846.19	
Masbate (combined with Sorsogon).....	3,943.55	
Mindoro.....	14,046.65	
Misamis.....	56,218.32	
Moro.....	139,694.78	
Nueva Ecija.....	58,616.42	
Nueva Vizcaya.....	21,745.02	
Occidental Negros.....	125,704.44	
Oriental Negros.....	82,164.44	
Palawan.....	12,411.21	
Pampanga.....	91,240.44	
Pangasinan.....	180,447.30	
Rizal.....	61,542.04	
Romblon (combined with Capiz).....	3,228.72	
Samar.....	109,333.45	
Sorsogon.....	61,320.45	
Surigao.....	36,154.60	
Tarlac.....	46,975.67	
Tayabas.....	84,377.66	
Zambales.....	24,437.73	
Balance forward to fiscal year 1909.....	54,149.04	
Total.....	3,129,883.32	P3,129,883.32

INTEREST ACCRUED AND UNPAID.

To get true statistical results, interest on the bonded indebtedness of the government, as well as guaranteed interest (Philippine Railway bonds) is charged to the proper expense account as it accrues and credited to this fund, to which payments of coupons by the disbursing agent of the Government at Washington are charged as they are made.

The account.

	Debit.	Credit.
Balance June 30, 1907.....		P364,766.67
By interest on friar lands bonds.....		560,000.00
By interest on public works and permanent improvement bonds.....		280,000.00
By interest on sewer and waterworks bonds.....		240,000.00
By interest on gold-standard certificates.....		13,333.33
By interest on Philippine Railway bonds.....		112,428.90
To interest paid on friar lands bonds.....	P559,280.00	
To interest paid on public works and permanent improvement bonds.....	279,950.00	
To interest paid on sewer and waterworks bonds.....	240,280.00	
To interest paid on Philippine Railway bonds.....	21,088.44	
To interest paid on gold-standard certificates.....	20,000.00	
Balance forward to fiscal year 1909.....	549,940.46	
Total.....	1,670,528.90	1,670,528.90
ANALYSIS OF BALANCE.		
Friar lands bonds.....	250,093.33	
Public works and permanent improvements.....	101,300.00	
Sewer and waterworks.....	107,206.67	
Philippine Railway.....	91,340.46	
Total.....	549,940.46	

MONEY-ORDER FUND.

[Bureau of posts.]

	Debit.	Credit.
By balance brought forward from 1907.....		P585,025.02
By balance due from United States Post-Office Department.....		276,142.30
By amount of orders issued during the year.....		7,290,246.26
By amount of fees received on same.....		43,258.40
By amount of United States orders paid here.....		370,132.32
By amount due the United States June 30, 1908.....		50,858.80
By amount transferred from invalid money-order account.....		3,445.98
To amount of orders paid and redeemed during the year.....	P5,037,095.80	
To amount of orders paid in the United States.....	2,597,133.42	
To amount transferred to receipts from operation, bureau of posts.....	43,258.40	
Balance forward to fiscal year 1909.....	941,621.46	
Total.....	8,619,109.08	8,619,109.08

THE POSTAL SAVINGS BANK.

[Bureau of posts.]

	Debit.	Credit.
June 30, 1907, by balances:		
Due depositors.....	P509,463.34	
Stamps outstanding.....	618.30	
		P510,081.64
By deposits received.....	1,536,761.01	
By interest on deposits credited.....	11,449.56	
By stamps sold.....	8,921.20	
		1,557,131.77
By interest collected.....	23,798.33	
By interest accrued to June 30, 1908.....	17,086.86	
		40,885.19
By appropriation for deficit.....		16,953.55
To depositors' withdrawals.....	1,025,679.87	
To stamps redeemed.....	8,195.00	
	P1,033,874.87	
To interest on deposits.....	14,537.93	
		14,537.93
To expenses 1908:		
Salaries and wages.....	38,631.92	
Office expenses.....	2,148.89	
Rentals (proportion).....	2,500.00	
		43,280.81
To investments:		
Bonds and mortgages.....	336,140.55	
Balance June 30, 1908.....	697,197.99	
Total.....	2,125,032.15	2,125,032.15

The operation of other trust funds are shown in the summary of appropriation accounts on page 559 of this report.

THE PHILIPPINE RAILWAY COMPANY.

Under authority granted by act of Congress of February 6, 1905, the government of the Philippine Islands entered into a contract with this company for the construction of railway lines on the islands of Panay, Cebu, and Negros which provides in brief that the government would guarantee interest at the rate of 4 per cent per annum for a period of thirty years upon bonds to the amount of 95 per cent of the actual cost of construction plus 15 per cent for contractor's profit, the government to supervise construction and audit the accounts.

Expenditures to and including June 30, 1908.

Island of Panay:	
Construction of line and structures	P2,183,878.93
Equipment	318,651.93
Tools and plant	151,887.12
Miscellaneous general expenses	49,997.08
	P2,699,415.06
Island of Cebu:	
Construction of line and structures	3,342,201.30
Equipment	363,174.39
Tools and plant	154,260.60
Miscellaneous general expenses	26,588.57
	3,886,224.86
Island of Negros:	
Construction (cost of surveys)	95,140.46
Miscellaneous general expenses	345.92
	95,486.38
Undistributed expenses	656,161.22
Material and stores on hand unexpended	1,548,537.14
Interest to date as provided by contract	180,974.40
Contractor's profit as provided by contract	1,406,653.87
Total cost to date	10,472,453.03

Issue of bonds upon which interest has been guaranteed by the Government:

September 5, 1907, Cebu	P1,600,000.00
December 2, 1907, Cebu	346,000.00
January 27, 1908, Cebu	1,144,000.00
March 11, 1908, Panay	1,762,000.00
April 18, 1908, Cebu	504,000.00
April 18, 1908, Panay	402,000.00
June 5, 1908, Cebu	1,228,000.00
June 5, 1908, Panay	554,000.00
Total	7,540,000.00

THE PRINCIPAL ACCOUNT.

[Representing the capital of the government other than cash.]

	Debit.	Credit.
By balance forward from June 30, 1907		P1,640,043.18
By sundries brought into account:		
Moro Province account-current	P88,276.16	
Loans to provinces, 1906 and prior fiscal years	194,532.55	
Supplies on hand June 30, 1908, purchased in prior fiscal years	2,497,680.11	
Equipment on hand June 30, 1908, purchased in prior fiscal years	1,379,438.92	
		4,159,927.74
By permanent improvements, 1908:		
Constructions	1,272,414.70	
Equipment	562,266.84	
		1,834,681.54
By real estate, 1908		7,672.20
By supplies, excess of purchases over expenditures, 1908		651,137.81
By loan to city of Manila		350,000.00
Philippine Railway Co., interest advanced		113,418.07
To cash receipts transferred to surplus account:		
Part payment city of Manila loan	100,000.00	
City of Manila account-current	454,378.28	
Part payment Moro Province account-current	45,101.88	
	P599,480.16	
To loans to provinces transferred to surplus account	844,441.77	
To balance forward to fiscal year 1909	7,312,958.61	
Total	8,756,880.54	8,756,880.54

STATEMENT OF THE GAIN AND LOSS OF THE INSULAR GOVERNMENT FOR THE YEAR
ENDED JUNE 30, 1908.

The following statement is prepared from the commercial accounting standpoint and especially to invite attention to the distinction between capital expenditures—i. e., for betterments which are expected to return an increment upon their cost either directly in the cost of production or indirectly in more efficient service—and expense expenditures covering necessary cost of administration. (See remark on p. 480.)

	Debit.	Credit.
By balances June 30, 1907:		
Assets of the government other than cash, represented by principal account.....	P1,640,043.18	
Cash, appropriated.....	5,159,607.29	
Cash, unappropriated.....	6,731,828.68	
		P13,531,479.15
By sundry assets brought into account:		
Equipment purchased in prior years.....	1,379,438.92	
Supplies purchased in prior years (unexpended to date).....	1,332,020.07	
Loans to provinces heretofore dropped as expense.....	282,808.71	
Prize lands (a 1906 expenditure).....	868.66	
Fiscal year 1901 account recovered.....	110.00	
		2,995,244.36
By revenues for the year.....		21,798,522.88
By repayment by city of Manila of amount heretofore charged to expense (being 30 per cent of reversions, fiscal year 1906).....		73,042.72
To error in fiscal year 1907 report.....	P37,777.04	
To expense expenditures, excluding expenditures for permanent improvement—whether constructions or equipment, purchases of real estate and purchases of supplies not expended at the close of the fiscal year.....	18,817,868.29	
To balances June 30, 1908:		
Principal account.....	P7,312,958.61	
Cash appropriated.....	8,738,208.63	
Cash, unappropriated.....	3,491,476.54	
	19,542,643.78	
Total.....	38,398,289.11	38,398,289.11

WARRANT ACCOUNT.

	Pts.	Philippine currency.	Pts.	Philippine currency.
Outstanding June 30, 1907.....				P278,272.91
Warrants issued:				
1907—July.....				3,719,952.98
August.....				3,896,763.20
September.....				2,589,891.77
October.....				3,130,233.31
November.....			11,474.59	4,764,873.75
December.....				8,800,620.26
1908—January.....				4,112,157.74
February.....				4,970,229.27
March.....				6,067,165.30
April.....				4,790,943.56
May.....				4,011,999.03
June.....				8,260,526.98
Warrants paid:				
1907—July.....		P3,649,434.90		
August.....		4,746,304.61		
September.....		3,526,062.41		
October.....		4,364,344.98		
November.....	11,474.59	4,682,642.95		
December.....		8,482,585.84		
1908—January.....		3,875,042.57		
February.....		4,870,392.49		
March.....		6,020,588.61		
April.....		4,724,777.17		
May.....		4,046,711.30		
June.....		3,690,503.23		
Transferred to "Outstanding liabilities" (over two years outstanding).....		127.60		
Outstanding June 30, 1908.....		2,713,611.40		
Total.....	11,474.59	59,393,130.06	11,474.59	59,393,130.06

FISCAL OPERATIONS OF THE CITY OF MANILA.

The close of the fiscal year finds the finances of the city in a very satisfactory condition. It has collected, including the contribution of the insular government for the year, the sum of ₱4,355,248.35; has expended for expense purposes (classified as administration, maintenance, operation, and prior fiscal years) ₱3,107,370.98; paid fixed charges (interest on sewer and waterworks bonds ₱242,475, and set apart a reserve of ₱116,220 toward their amortization) ₱358,695; paid off its current-account debt to the insular government of ₱454,378.28; paid ₱100,000 of its debt incurred on account of the Luneta extension; spent ₱87,469.19 for new equipment, ₱33,915.09 for real estate and real-estate betterments, ₱81,502.97 for new streets, including expense of widening old ones; has ₱26,763.49 of surplus stores purchased during the year on hand, not considering surplus stores of prior years not yet brought into account; and has a cash balance in hand, excluding proceeds of bond issues and reserves, of ₱343,832.25. Of this latter amount but ₱26,968.25 is available for expenditure for administrative purposes; the balance is pledged by appropriation for the prosecution of various public-works projects. (See appropriation balances, p. 486.)

General balance sheet.

ASSETS.

Real estate, including Luneta extension, valued at ₱1,235,000.....	₱6,802,234.43	
Construction of schoolhouses, 1908.....	11,213.46	
		₱6,813,447.89
Permanent improvements:		
Equipment.....	1,668,862.44	
Sewers and water works (cost to date).....	4,961,368.13	
Construction of streets and bridges, 1908.....	81,502.97	
		6,701,723.54
Current assets:		
Accounts receivable (deferred payments on sales of land).....	53,635.58	
Supplies (unexpended).....	26,763.49	
Ninety-four shares of the capital stock of the Banco Español-Filipino (par).....	23,500.00	
Investments Insurance fund.....	9,400.00	
		113,299.07
Cash:		
Sewer and waterworks fund.....	1,473,901.57	
Sewer and waterworks sinking fund.....	200,093.82	
Luneta extension (balance of loan).....	40,970.89	
Current appropriations.....	289,036.34	
Amount due from insular government on revenue account.....	14,425.02	
		2,018,427.64
Total.....		15,646,898.14

LIABILITIES.

Sewer and waterworks bonds.....	₱6,000,000.00
Premiums received on sewer and waterworks bonds.....	425,260.70
Sewer and waterworks sinking fund.....	200,093.82
Amount due insular government on account of Luneta extension loan.....	250,000.00
Surplus of assets over liabilities, being the principal account or inventory of the capital property of the city.....	8,771,543.62
Total.....	15,646,898.14

Statement of income and expenditures, city of Manila, fiscal year ended June 30, 1908.

INCOME.	
Revenues from taxation:	
Land taxes.....	P1,288,016.64
Internal revenue.....	169,904.40
Franchises.....	51,388.39
Cedulas, Act No. 1695.....	52,234.00
Internal-revenue dividend, Act No. 1695.....	13,213.03
	P1,572,756.46
Receipts from operation:	
Municipal board—	
Secretary fees.....	45.50
Miscellaneous.....	.20
	45.70
Department of assessment and collections—	
Live-stock registration.....	471.40
Live-stock transfers.....	250.90
Vehicle equipment.....	1,438.10
Weights and measures.....	8,317.25
	10,478.65
Law department—	
Fees, fines, and court costs.....	56,295.36
Justice of the peace fees.....	5,196.00
Sheriff's fees.....	12,473.96
Registration of deeds.....	13,769.09
Miscellaneous.....	3,712.68
	91,447.08
Police department—	
Liquor licenses.....	162,329.50
Business licenses.....	22,949.01
Entertainment licenses.....	9,601.00
Peddlers' licenses.....	9,063.00
Vehicle licenses.....	14,340.00
Dog licenses.....	6,250.05
Miscellaneous.....	1,543.47
	226,076.03
Fire department—	
City electrician fees.....	6,656.15
Miscellaneous.....	113.90
	6,770.05
Department of engineering and public works—	
Boiler inspections.....	664.00
Building permits.....	14,994.87
Water rents.....	234,478.23
Miscellaneous.....	49,926.62
	300,063.72
Department of sanitation and transportation—	
Burial permits.....	4,790.10
Rent of niches.....	9,748.60
Cementerio del Norte.....	12,349.08
Pound receipts.....	5,261.27
Pall system.....	58,168.03
Vault cleaning.....	21,538.00
Transportation of meat.....	10,542.84
Matadero receipts.....	176,671.02
Market receipts.....	283,150.15
Transportation furnished.....	222,262.92
Miscellaneous.....	1,566.76
	806,048.77
Other receipts:	
Rents of city lands.....	20,758.20
Rents of telephone poles.....	1,699.88
Escheats.....	2,034.68
Interest on bank deposits.....	137,667.22
Miscellaneous.....	6,219.43
	168,379.41
Principal account:	
Sale of city lands.....	24,161.24
Total.....	3,206,227.71
EXPENDITURES.	
Municipal board:	
Permanent improvements—	
Furniture and fixtures.....	1,515.97
Supplies (unexpended).....	335.32
Administration—	
Salaries and wages.....	81,925.87
Expenses of personnel.....	2,105.04
Transportation.....	52.16
Office expenses.....	4,423.58
Rentals.....	60.20
Miscellaneous general expenses.....	114,921.11
Maintenance of furniture and fixtures.....	151.75
	205,491.00

Assessment and collections:

Administration—

Miscellaneous general expense.....	₹45,190.00
Prior fiscal years.....	190.00

₹45,380.00

Engineering and public works:

Permanent improvements—

Construction of streets, roads, and bridges.....	4,020.74
Construction of waterworks, sewers, etc.....	3,405.38
Construction of vessels and launches.....	2.53
Stationary machinery.....	1,320.00
Portable machinery, tools, etc.....	2,145.54
Furniture and fixtures.....	1,435.87
Miscellaneous equipment.....	257.23
Supplies (unexpended).....	14,781.09

Administration—

Salaries and wages.....	147,838.13
Expenses of personnel.....	26,171.12
Transportation.....	638.80
Office expenses.....	14,046.84
Rentals.....	931.73
Incidental expenses.....	128,258.78

Maintenance of—

Buildings and structures.....	11,344.28
Streets, roads, and bridges.....	289,535.55
Water and irrigation works.....	15,181.65
Vessels and launches.....	17,904.36
Land transportation equipment.....	165.75
Stationary machinery.....	5,128.66
Portable machinery, tools, etc.....	2,624.18
Furniture and fixtures.....	122.35
Prior fiscal years.....	430.51

687,691.09

Sanitation and transportation:

Permanent improvements—

Buildings and structures.....	2,751.73
Vessels and launches.....	14.26
Land transportation equipment.....	23,417.53
Portable machinery, tools, etc.....	20,540.34
Furniture and fixtures.....	4,337.62
Miscellaneous equipment.....	45.06
Supplies (unexpended).....	10,947.59

Operation—

Superintendence.....	74,562.41
Labor.....	363,557.08
Material.....	117.75
Miscellaneous expenses.....	289,420.91

Maintenance of—

Buildings and structures.....	16,063.57
Vessels and launches.....	678.62
Land transportation equipment.....	53,909.61
Stationary machinery.....	224.00
Portable machinery, tools, etc.....	3,754.81
Furniture and fixtures.....	810.55
Prior fiscal years.....	5,170.27

870,323.63

Fire department:

Permanent improvements—

Telegraph and telephone lines.....	1,782.32
Land transportation equipment.....	13,362.20
Portable machinery, tools, etc.....	516.43
Furniture and fixtures.....	4,286.86
Miscellaneous equipment.....	216.04
Supplies (unexpended).....	215.54

Administration—

Salaries and wages.....	230,750.82
Expenses of personnel.....	1,610.50
Transportation.....	22,842.56
Office expenses.....	8,078.04
Incidental expenses.....	4,420.62

Maintenance of—

Buildings and structures.....	843.52
Telegraph and telephone lines.....	914.80
Land transportation equipment.....	8,440.54
Portable machinery, tools, etc.....	28.31
Furniture and fixtures.....	788.39
Miscellaneous equipment.....	94.25
Prior fiscal years.....	1,036.45

300,228.19

Law department:

Permanent improvements.....

Supplies (unexpended).....	1,055.28
	355.96

Administration—

Salaries and wages.....	92,254.55
Expenses of personnel.....	2,113.05
Office expenses.....	5,542.99
Incidental expenses.....	4,376.59
Maintenance of furniture and fixtures.....	614.95
Prior fiscal years.....	328.88

106,642.25

Police department:

Permanent improvements—	
Telegraph and telephone lines.....	P5,332.04
Ordinance.....	(180.24)
Furniture and fixtures.....	1,546.08
Miscellaneous equipment.....	38.15
Supplies (unexpended).....	128.30
Administration—	
Salaries and wages.....	673,396.77
Expenses of personnel.....	12,753.19
Transportation.....	5,987.33
Office expenses.....	13,422.19
Rentals.....	2,400.00
Special services.....	164.60
Incidental expenses.....	22,429.17
Maintenance of—	
Buildings and structures.....	450.25
Telegraph and telephone lines.....	3,578.22
Vessels and launches.....	2,394.14
Furniture and fixtures.....	356.50
Miscellaneous equipment.....	1.50
Prior fiscal years.....	790.75
	P746,988.94

Department of city schools:

Permanent improvements—	
Buildings and structures.....	349.90
Portable machinery, tools, etc.....	185.09
Furniture and fixtures.....	891.75
Supplies (unexpended).....	(.31)
Administration—	
Salaries and wages.....	199,406.22
Expenses of personnel.....	2,963.54
Transportation.....	1,329.51
Office expenses.....	4,637.14
Rentals.....	40,549.77
Incidental expenses.....	3,416.84
Maintenance of—	
Schoolhouses.....	7,833.07
Furniture and fixtures.....	208.63
Prior fiscal years.....	45.28
	261,816.43

Miscellaneous:

Reimbursement to province of Rizal for constructing Mariquina bridge.....	1,500.00
Cedula road and bridge fund expenditures.....	2,664.50
	4,164.50

Fixed charges:

Annual payment to sinking fund for sewer and waterworks bonds for fiscal year 1908.....	116,220.00
Interest on sewer and waterworks construction bonds.....	242,475.00
	358,695.00

Capital expenditures, public works:

Widening and straightening streets.....	19,667.35
Two-fifths cost construction vault in city hall.....	1,600.00
Improvement of Luneta extension.....	10,000.00
Land for widening Calle Jolo.....	8,390.33
Tondo School building.....	8,348.81
Retaining walls, Malate School.....	2,864.65
Addition to Sampaloc Market.....	8,000.00
Bridges, esteros, parks, and streets.....	49,434.55
	108,295.69

Luneta extension loan:

Amount paid in 1908.....	100,000.00
Total.....	3,796,716.72

SPECIAL ACCOUNTS.

The following accounts are stated separately for the reason that the transactions were from the funds not subject to the provisions of the city's charter whereby the insular government contributes 30 per cent of the appropriation. As the Luneta extension loan is repaid the insular government will contribute its proportion.

LUNETTA EXTENSION ACCOUNT.

By Act No. 1360 the insular government loaned the sum of P350,000 to the city of Manila, repayable in seven annual installments, two of which have been paid, for the purpose of improving the park by reclaiming some 247,000 square meters from the Bay of Manila.

The account.

	Debit.	Credit.
By loan from insular government.....		₱ 350,000.00
To disbursements fiscal years:		
1906.....	₱ 260,020.06	
1907.....	49,008.03	
1908.....		
Balance in Treasury.....	40,970.89	
Total.....	350,000.00	350,000.00

INSURANCE FUND, CITY OF MANILA.

Act No. 1706 established this fund for repair, reconstruction, or replacement of buildings and other property of the city of Manila which shall be damaged or destroyed by earthquake, fire, lightning, water, or wind, and provided for a continuing annual appropriation of ₱ 10,000 until the fund with its increment should amount to ₱ 100,000.

The account.

	Debit.	Credit.
By appropriation, Act No. 1706.....		₱ 10,000.00
To investments.....	₱ 9,400.00	
Balance forward to fiscal year 1909.....	600.00	
Total.....	10,000.00	10,000.00

SEWER AND WATERWORKS CONSTRUCTION.

Under authority of the Congress of the United States contained in section 70 of the act of July 1, 1902, the insular government has incurred on behalf of the city of Manila a bonded debt of ₱ 6,000,000 (\$3,000,000 United States currency) for the purpose of constructing a system of sewers and drainage and to furnish an adequate supply of water. The operations of the fund so acquired to date are as follows:

The account.

	Debit.	Credit.
By bonds issued.....		₱ 6,000,000.00
By premiums received.....		425,260.70
To expenditures for purposes of construction, fiscal years:		
1905.....	₱ 5,689.04	
1906.....	295,143.73	
1907.....	2,114,978.33	
1908.....	2,235,548.03	
Balances:		
In treasury.....	1,467,619.15	
In hands of R. C. Baldwin, disbursing officer.....	6,282.42	
Total.....	6,425,260.70	6,425,260.70

SEWER AND WATERWORKS SINKING FUND.

	Debit.	Credit.
By balance in the fund June 30, 1907.....		₱ 80,592.44
By payment for the current fiscal year.....		116,220.00
By interest earned upon the fund.....		3,281.38
To balance forward to fiscal year 1908.....	₱ 200,093.82	
Total.....	200,093.82	200,093.82

CITY OF MANILA.

General revenue account.

	Debit.	Credit.
To balance due insular government June 30, 1907.....	P 454,378.28	
By balances of collecting officers brought into account.....		P 47,468.22
By revenues from taxation:		
Land tax.....		1,282,007.45
Internal revenue.....		169,904.40
By other receipts:		
Miscellaneous.....		102,462.30
Municipal board.....		45.70
Department assessment and collections.....		10,478.65
Law department.....		91,447.68
Department of engineering and public works.....		300,063.72
Police department.....		226,076.03
Fire department.....		6,770.05
Department of sanitation and transportation.....		806,048.77
Bridges, esteros, parks, and streets.....		98,007.71
Cedula, road and bridge funds.....		65,447.03
By 70 per cent of reversions of June 30, 1908.....		170,433.00
To 70 per cent of appropriations, fiscal year 1908.....	2,907,857.41	
Balance due the city of Manila forward fiscal year 1908:		
In insular treasury.....	P (13,891.77)	
In hands collecting officers.....	28,316.79	
	14,425.02	
Total.....	3,376,660.71	3,376,660.71

Appropriation account.

	Debit.	Credit.
Balance June 30, 1907.....		P 183,546.77
To appropriations, 1908:		
Municipal board.....		206,647.70
Department of assessment and collections.....		49,718.65
Department of engineering and public works.....		728,241.72
Department of sanitation and transportation.....		867,643.77
Fire department.....		306,020.05
Police department.....		770,576.03
Law department.....		118,917.68
Department of city schools.....		285,500.00
Mariquina Bridge.....		1,500.00
Fixed charges.....		465,361.67
Insurance fund.....		10,000.00
Public works.....		343,954.74
By expenditures, 1908:		
Municipal board.....	P 205,491.00	
Department of assessment and collections.....	45,380.00	
Department of engineering and public works.....	687,691.09	
Department of sanitation and transportation.....	870,323.63	
Fire department.....	300,228.19	
Police department.....	746,988.94	
Law department.....	106,642.25	
Department of city schools.....	261,816.43	
Mariquina Bridge.....	1,500.00	
Fixed charges.....	458,695.00	
Insurance fund.....	9,400.00	
Public works.....	110,960.19	
Reversions June 30, 1908.....	243,475.72	
Balances available for expenditure:		
In insular treasury.....	P 280,229.87	
In hands of disbursing officer.....	8,806.47	
	289,036.34	
Total.....	4,337,628.78	4,337,628.78

Classified expenditures of administrative bureaus and offices.

[NOTE.—As distinguished from those operating under reimbursable appropriations and whose transactions are shown under the caption "Capital Operations,"]

As this classification has only been applied to the expenditures of this fiscal year, comparisons of expenditures can only be made by totals. It is to be noted that the expenditures of the fiscal year 1907 are arrived at in each instance by deducting the prior fiscal year expenditures as shown in the report for that year and adding to the figure thus obtained the expenditures for 1907 made in 1908. (See page 490 et seq.)

EXECUTIVE DEPARTMENT.

	Expenditures, 1908.	Expenditures, 1907.	Increase.	Decrease.	Receipts other than from tax- ation, 1908.	Receipts other than from tax- ation, 1907.	Increase.	Decrease.
PHILIPPINE COMMISSION.								
Administration:								
Salaries and wages.....	P 107,428.87							
Expenses of personnel.....	2,883.36							
Office expenses.....	15,005.24							
Miscellaneous general expenses.....	2,274.42							
Total.....	127,291.89	P 83,006.04	P 44,195.85					
PHILIPPINE ASSEMBLY.								
Permanent improvements:								
Furniture and fixtures.....	20,283.81							
Administration:								
Salaries and wages.....	502,060.41							
Expenses of personnel.....	9,932.54							
Transportation.....	323.67							
Office expenses.....	16,466.39							
Rentals.....	2,158.33							
Miscellaneous general expenses.....	2,825.34							
Maintenance:								
Repairs of buildings occupied by the assembly.....	4,527.36							
Of furniture and fixtures.....	213.98							
Total.....	558,794.83		558,794.83					
THE EXECUTIVE.								
Administration:								
Salaries and wages.....	142,825.93							
Expenses of personnel.....	13,459.29							
Total.....	156,285.22	117,082.75	28,802.47					

Classified expenditures of administrative bureaus and offices—Continued.

DEPARTMENT OF THE INTERIOR.

	Expenditures, 1908.	Expenditures, 1907.	Increase.	Decrease.	Receipts other than from tax- ation, 1908.	Receipts other than from tax- ation, 1907.	Increase.	Decrease.
BUREAU OF HEALTH.								
Permanent Improvements:								
Construction of permanent buildings and structures.....	P29,794.75							
Land transportation equipment.....	186.00							
Portable machinery, tools, and implements.....	432.79							
Furniture and fixtures.....	7,657.91							
Miscellaneous equipment (surgical instruments, etc.).....	2,002.82							
BUREAU OF HEALTH.								
Administration:								
Salaries and wages.....	404,007.41							
Expenses of personnel.....	47,273.54							
Transportation.....	15,707.74							
Office expenses.....	25,689.80							
Rentals.....	10,772.43							
Miscellaneous general expenses.....	368,620.40							
Maintenance of:								
Buildings and structures.....	694.87							
Land transportation equipment.....	96.62							
Furniture and fixtures.....	1,604.09							
Miscellaneous equipment.....	177.65							
Total.....	913,671.51	P841,224.51	P72,447.00		P163,553.93	P38,183.21	P55,365.72	
BUREAU OF QUARANTINE SERVICE.								
Permanent Improvements:								
Construction of permanent buildings and structures.....	237.05							
Vessels and launches, including their equipment.....	408.79							
Portable machinery, tools, and implements.....	1,471.47							
Furniture and fixtures.....	752.87							
Miscellaneous equipment.....	3.50							

Administration:									
Salaries and wages.....	62,984.06								
Expenses of personnel.....	12,466.28								
Transportation.....	8,038.21								
Office expenses.....	2,216.46								
Rentals.....	960.00								
Miscellaneous general expenses.....	5,386.83								
Maintenance of:									
Buildings and structures.....	7,119.09								
Docks, wharves, etc.....	1,212.02								
Vessels and launches.....	4,631.15								
Land transportation equipment.....	154.06								
Furniture and fixtures.....	36.00								
Total.....	108,107.43	120,364.34	\$12,256.91	4,703.61	4,764.50	\$90.89			
WEATHER BUREAU.									
Permanent improvements:									
Construction of buildings and structures.....	348.10								
Furniture and fixtures.....	301.43								
Miscellaneous equipment.....	1,470.34								
Administration:									
Salaries and wages.....	70,471.61								
Expenses of personnel.....	800.13								
Transportation.....	126.92								
Office expenses.....	20,731.76								
Rentals.....	9,000.00								
Miscellaneous general expenses.....	180.78								
Maintenance of:									
Buildings and structures.....	113.69								
Miscellaneous equipment.....	360.35								
Total.....	122,963.11	106,066.16	16,806.96	77.04	64.40	12.64			
BUREAU OF FORESTRY.									
Permanent improvements:									
Portable machinery, tools, and implements.....	70.80								
Furniture and fixtures.....	1,248.20								
Miscellaneous equipment.....	907.10								
Administration:									
Salaries and wages.....	75,011.59								
Expenses of personnel.....	22,003.37								
Transportation.....	1,388.00								
Office expenses.....	4,571.53								
Rentals.....	374.00								
Miscellaneous general expenses.....	661.30								
Maintenance of:									
Stationary machinery.....	372.60								
Furniture and fixtures.....	321.94								
Miscellaneous equipment.....	23.40								
Total.....	106,953.83	107,881.96	928.13	137.16		137.16			

Classified expenditures of administrative bureaus and offices—Continued.

DEPARTMENT OF THE INTERIOR—Continued.

	Expenditures, 1906.	Expenditures, 1907.	Increase.	Decrease.	Receipts other than from tax- ation, 1906.	Receipts other than from tax- ation, 1907.	Increase.	Decrease.
BUREAU OF SCIENCE.								
Permanent improvements:								
Construction of buildings and structures...	P 130.72							
Land transportation equipment...	7.15							
Stationary machinery...	1,925.22							
Portable machinery, tools, and implements...	972.97							
Furniture and fixtures (including books for library)...	19,533.96							
Miscellaneous equipment (scientific apparatus, etc.)...	11,619.60							
Administration:								
Salaries and wages...	207,328.91							
Expenses of personnel...	16,614.30							
Transportation...	2,413.06							
Office expenses...	17,408.20							
Miscellaneous general expenses...	33,678.61							
Maintenance of:								
Buildings and structures...	2,427.54							
Land transportation equipment...	1.58							
Stationary machinery...	993.09							
Portable machinery, tools, and implements...	97.02							
Furniture and fixtures...	186.86							
Miscellaneous equipment...	1,987.41							
Total...	316,622.21	P 316,651.00		P 29.39	P 53,786.46	P 56,838.26	P 1,946.18	
BUREAU OF LANDS.								
Permanent improvements:								
Construction of buildings and structures...	233.30							
Waterworks, irrigation works, etc. (on friar lands estates)...	949.96							
Land transportation equipment...	342.40							
Ordinance...	119.85							
Portable machinery, tools, and implements...	223.87							
Furniture and fixtures...	10,965.00							
Miscellaneous equipment...	10,828.98							

	400,090.93								
Administration:									
Salaries and wages.....	64,382.26								
Expenses of personnel.....	5,885.35								
Transportation.....	21,162.97								
Office expenses.....	4,022.21								
Rentals.....	170.00								
Special service.....	8,076.85								
Miscellaneous general expenses.....	2,798.29								
Maintenance of:	22,333.90								
Buildings and structures.....	106.02								
Water and irrigation works, etc.	16.20								
Land transportation equipment.....	1,443.02								
Portable machinery, tools, and implements.....	281.91								
Furniture and fixtures.....									
Miscellaneous equipment.....									
Total.....	554,353.38	425,757.88	P 128,595.50		22,116.74	14,784.87		7,331.87	
BUREAU OF AGRICULTURE.									
Purchase of real estate.....	2,235.24								
Permanent improvements:									
Construction of buildings and structures.....	11,583.90								
Land transportation equipment (including work animals).....	24,007.37								
Ordinance.....	105.38								
Stationary machinery.....	12,098.00								
Portable machinery, tools and implements.....	10,737.00								
Furniture and fixtures.....	4,729.16								
Miscellaneous equipment (veterinary equipment transferred to appropriation "Contingent and exterminating cattle diseases").....	(9,891.17)								
Administration:									
Salaries and wages.....	148,407.08								
Expenses of personnel.....	15,400.51								
Transportation.....	15,181.72								
Office expenses.....	17,792.69								
Rentals.....	15.41								
Miscellaneous general expenses.....	63,236.86								
Maintenance of:									
Buildings and structures.....	4,359.90								
Roads and bridges (on its farms).....	872.46								
Land transportation equipment.....	1,165.46								
Stationary machinery.....	255.50								
Portable machinery, tools, and implements.....	3,244.89								
Furniture and fixtures.....	282.12								
Miscellaneous equipment.....	38.83								
Total.....	326,897.31	356,646.65		30,782.34	59,304.82	57,046.88		2,254.94	
Total, department of the Interior.....	2,446,553.78	2,274,616.10	217,939.45	43,996.77	238,689.76	171,700.14		67,050.51	P 80.89

Classified expenditures of administrative bureaus and offices—Continued.

DEPARTMENT OF COMMERCE AND POLICE.

	Expenditures, 1908.	Expenditures, 1907.	Increase.	Decrease.	Receipts other than from tax- ation, 1908.	Receipts other than from tax- ation, 1907.	Increase.	Decrease.
BUREAU OF CONSTABULARY.								
Purchase of real estate.....	₱3,828.30							
Permanent improvements:								
Construction of buildings and structures.....	33,303.69							
Vessels and launches.....	13,428.71							
Land transportation equipment.....	13,156.51							
Ordnance.....	38,465.47							
Portable machinery, tools, and implements.....	21,313.17							
Furniture and fixtures.....	4,609.43							
Miscellaneous equipment.....	243,805.19							
Supplies (unexpended).....								
Administration:								
Salaries and wages.....	1,851,220.77							
Expenses of personnel.....	780,070.32							
Transportation.....	221,642.53							
Office expenses.....	106,171.43							
Rentals.....	74,727.20							
Special service.....	10,954.01							
Miscellaneous general expenses.....	41,559.52							
Maintenance of:								
Buildings and structures.....	16,221.05							
Vessels and launches.....	3,553.22							
Land transportation equipment.....	6,464.86							
Ordnance.....	18,069.05							
Portable machinery, tools, and implements.....	60.30							
Furniture and fixtures.....	4,661.50							
Miscellaneous equipment.....	4,494.44							
Total.....	3,503,977.21	₱3,176,447.17	₱327,530.04		₱211,468.10	₱113,751.33	₱97,716.77	
BUREAU OF POSTS.								
Permanent improvements:								
Construction of telegraph and telephone lines.....	3,378.82							
Land transportation equipment.....	9,911.42							
Portable machinery, tools, and implements.....	191.85							
Furniture and fixtures.....	5,155.96							

Administration:	723,108.19				
Salaries and wages.....	23,586.29				
Expenses of personnel.....	183,004.39				
Transportation.....	41,257.62				
Office expenses.....	16,623.88				
Rentals.....	212.32				
Special service.....	8,890.67				
Miscellaneous general expenses.....					
Maintenance of:					
Buildings and structures.....	9,686.77				
Telegraph and telephone lines.....	237,528.61				
Vessels and launches.....	177.10				
Land transportation equipment.....	2,108.57				
Furniture and fixtures.....	855.26				
Miscellaneous equipment.....	66.07				
Receipts from operations:					
Stamps and stamped paper sold.....					
Postage on second-class matter.....					
Post-office box rents.....					
Money-order fees.....					
Miscellaneous.....					
Total.....	1,265,816.81	1,132,002.35	133,814.46		84,559.27
BUREAU OF NAVIGATION.					
Permanent Improvements:					
Construction of buildings and structures.....	6,698.09				
Ordnance and equipment.....	47,790.87				
Ordnance (returned to stores).....	(2,034.29)				
Furniture and fixtures.....	1,783.97				
Supplies (unexpended).....	51,392.99				
Administration:					
Salaries and wages.....	455,836.53				
Expenses of personnel.....	3,122.58				
Transportation.....	2,006.80				
Office expenses.....	7,413.51				
Miscellaneous general expenses (including subsistence of crews, fuel for vessels, etc.).....	338,641.21				
Maintenance of:					
Buildings and structures.....	10,142.01				
Vessels and launches.....	242,827.12				
Furniture and fixtures.....	796.69				
Total.....	1,160,348.15	913,291.69	253,056.46		465,164.37
BUREAU OF NAVIGATION—LIGHT-HOUSE SERVICE.					
Permanent Improvements:					
Construction of—					
Light-houses.....	99,444.52				
Docks, wharves, etc.....	123.51				
Vessels and launches.....	15.00				
Total.....					\$90,476.53

Classified expenditures of administrative bureaus and offices—Continued.

DEPARTMENT OF COMMERCE AND POLICE—Continued.

	Expenditures, 1906.	Expenditures, 1907.	Increase.	Decrease.	Receipts other than from tax- ation, 1906.	Receipts other than from tax- ation, 1907.	Increase.	Decrease.
BUREAU OF NAVIGATION—LIGHT-HOUSE SERVICE—continued.								
Permanent improvements—Continued.								
Ordnance.....	P9.00							
Furniture and fixtures.....	61.00							
Miscellaneous equipment (lights, etc.).....	17,354.48							
Administration:								
Salaries and wages.....	122,885.19							
Expenses of personnel.....	1,619.01							
Transportation.....	84.48							
Office expenses.....	2,683.48							
Miscellaneous general expenses.....	462.00							
Maintenance of:	21,341.63							
Light-houses.....	9,270.05							
Stationary machinery.....	1,299.95							
Furniture and fixtures.....	57.87							
Miscellaneous equipment.....	6,951.73							
Total.....	254,620.36	P 388,195.28		P 133,574.92	P 182.93		P 182.93	
BUREAU OF NAVIGATION—DIVISION OF PORT WORKS.								
(NOTE.—Expenditures of this division in fiscal year 1907 were distributed under public works when they were for permanent improvements and Bureau of Navigation when they were for administration.)								
Permanent improvements:								
Construction of docks, wharves, etc.....	285.28							
Vessels and launches.....	1,782.06							
Miscellaneous equipment.....	113.37							
Administration:								
Salaries and wages.....	21,363.83							
Expenses of personnel.....	6,203.97							
Transportation.....	572.42							

Classified expenditures of administrative bureaus and offices—Continued.

DEPARTMENT OF COMMERCE AND POLICE—Continued.

	Expenditures, 1908.	Expenditures, 1907.	Increase.	Decrease.	Receipts other than from tax- ation, 1908.	Receipts other than from tax- ation, 1907.	Increase.	Decrease.
OFFICE OF THE SUPERVISING RAILWAY EX- PERT—continued.								
Maintenance of: Furniture and fixtures.....	P 1.50							
Total.....	79,345.12	P 86,743.88		P 7,398.76	P 1,129.80		P 1,129.80	
(Note.—Expenses of supervision of the con- struction of the Philippine Railway Com- pany's lines in Panay, Cebu, and the Negros in fiscal year 1906 to P 126,044.63 and unpaid, are included in the expenditures of the office for fiscal years 1907 and 1908.)								
BUREAU OF PUBLIC WORKS.								
Purchase of real estate.....	717.00							
Permanent improvements:								
Construction of buildings and structures.....	13,135.32							
Waterworks, irrigation works, sewers, and artesian wells.....	1,906.96							
Land transportation equipment.....	6,741.02							
Portable machinery, tools, and implements.....	29,378.80							
Furniture and fixtures.....	17,511.90							
Miscellaneous equipment.....	1,800.53							
Supplies (unexpended).....	63,925.95							
Administration:								
Salaries and wages.....	477,656.12							
Expenses of personnel.....	16,420.95							
Transportation.....	581.59							
Office expenses.....	6,721.73							
Miscellaneous general expenses (including material issued for reimbursable work).....	193,646.77							

Maintenance of:									
Buildings and structures.....	40,542.19								
Schoolhouses.....	147.46								
Streets, roads, and bridges.....	71,879.33								
Land transportation equipment.....	38.10								
Portable machinery, tools, and implements.....	1,233.19								
Furniture and fixtures.....	944.65								
Miscellaneous equipment.....	318.47								
Total.....	944,150.12	785,372.14	£158,777.98	214,041.15	£137,909.77	76,131.38			
OFFICE OF THE CONSULTING ARCHITECT.									
Administration: Salaries and wages.....	12,000.00								
Total.....	12,000.00	12,264.54		264.54					
Total, department of commerce and police.....	7,646,419.01	6,667,780.95	1,119,876.28	141,238.22	1,602,885.31	264,969.56			£80,476.53

DEPARTMENT OF FINANCE AND JUSTICE.

BUREAU OF THE TREASURY.									
Permanent improvements:									
Furniture and fixtures.....	£800.19								
Administration:									
Salaries and wages.....	110,518.76								
Expenses of personnel.....	2,845.10								
Transportation.....	2,845.10								
Office expenses.....	6,679.34								
Miscellaneous general expenses.....	5,538.80								
Maintenance of furniture and fixtures.....	278.03								
Total.....	127,390.38	£121,923.66	£5,466.72		£1,298.90				£1,298.90
BUREAU OF JUSTICE.									
Permanent improvements:									
Furniture and fixtures.....	3,117.43								
Administration:									
Salaries and wages.....	109,469.27								
Expenses of personnel.....	5,229.01								
Transportation.....	167.10								
Office expenses.....	9,479.77								
Miscellaneous general expenses.....	474.96								
Maintenance of furniture and fixtures.....	210.00								
Total.....	128,147.54	137,025.07	£8,877.53	£2,223.22	91.00	£2,132.22			

Classified expenditures of administrative bureaus and offices—Continued.

DEPARTMENT OF FINANCE AND JUSTICE—Continued.

	Expenditures, 1908.	Expenditures, 1907.	Increase.	Decrease.	Receipts other than from tax- ation, 1908.	Receipts other than from tax- ation, 1907.	Increase.	Decrease.
BUREAU OF INTERNAL REVENUE.								
Permanent improvements:								
Vessels and launches	₱ 400.17							
Land transportation equipment	1,099.98							
Ordnance	64.62							
Furniture and fixtures	7,909.76							
Miscellaneous equipment	943.53							
Supplies (unexpended)	100.50							
Administration:								
Salaries and wages	516,865.90							
Expenses of personnel	72,036.43							
Transportation	7,700.84							
Office expenses	61,586.44							
Rentals	25.00							
Special service	3,653.84							
Miscellaneous general expenses	28,486.15							
Maintenance of:								
Buildings and structures	141.96							
Vessels and launches	2,572.58							
Land transportation equipment	233.79							
Furniture and fixtures	1,099.47							
Miscellaneous equipment	7.48							
Total	705,558.44	₱ 621,737.12	₱ 83,821.32		₱ 123,665.42	₱ 142,512.37		₱ 18,846.95
BUREAU OF CUSTOMS.								
Permanent improvements:								
Construction of buildings and structures	1,014.87							
Vessels and launches	14,716.43							
Land transportation equipment	246.89							
Ordnance	128.00							
Stationery	190.00							
Portable machinery, tools, and equipment	81.38							
Furniture and fixtures	11,133.25							
Miscellaneous equipment	738.24							
Administration:								
Salaries and wages	715,856.35							
Expenses of personnel	17,808.46							

Transportation.....	6,091.79					
Office expenses.....	38,158.18					
Rentals.....	2,400.00					
Special services.....	883.29					
Miscellaneous general expenses.....	30,680.07					
Maintenance of:						
Buildings and structures.....	350.94					
Vessels and launches.....	30,185.07					
Land transportation equipment.....	11.00					
Furniture and fixtures.....	2,867.05					
Receipts from operations:						
Sales of blank forms.....		1,422.44				
Storage, labor, and drayage.....		23,470.12				
Fines, penalties, and forfeitures.....		9,698.55				
Miscellaneous fees.....		40,554.96				
Sales of rolls.....		300.00				
Miscellaneous.....		15,187.02				
Total.....	873,566.61	860,613.49	12,953.12			4,270.30
Total, Department of Finance and Justice.....	1,834,662.97	1,741,299.34	102,241.16	¥8,877.53	¥2,132.22	24,386.15

DEPARTMENT OF PUBLIC INSTRUCTION.

BUREAU OF EDUCATION.

Purchase of real estate.....	¥221.27					
Permanent improvements:						
Construction of schoolhouses.....	11,275.74					
Stationary machinery (trade schools).....	4,892.56					
Portable machinery, tools, and implements.....	10,018.06					
Furniture and fixtures.....	4,253.79					
Miscellaneous equipment.....	840.00					
Supplies (unexpended).....	226,907.23					
Administration:						
Salaries and wages.....	2,304,024.82					
Expenses of personnel.....	197,822.28					
Transportation.....	15,718.22					
Office expenses.....	35,375.00					
Rentals.....	10,648.33					
Miscellaneous general expenses.....	160,480.74					
Maintenance of:						
Buildings and structures.....	1,137.99					
Schoolhouses.....	1,324.62					
Vessels and launches (boats).....	32.00					
Stationary machinery.....	338.10					
Portable machinery, tools, and implements.....	285.26					
Furniture and fixtures.....	646.56					
Miscellaneous equipment.....	14.66					
Total.....	3,074,768.16	¥3,231,916.07	¥157,147.91	¥33,598.42	¥13,618.21	¥19,880.21

DEPARTMENT OF PUBLIC INSTRUCTION

EXPENDITURES FOR FISCAL YEAR 1924

	Expenditures 1923	Expenditures 1924	Excess 1924 over 1923	Excess 1923 over 1924
PERMANENT IMPROVEMENTS				
Construction of buildings and structures	1,000,000.00	1,000,000.00		
Construction of water and irrigation works	1,000,000.00	1,000,000.00		
etc.	1,000,000.00	1,000,000.00		
Vessels and launches	1,000,000.00	1,000,000.00		
Land and transportation equipment	1,000,000.00	1,000,000.00		
Ordnance	1,000,000.00	1,000,000.00		
Stationary machinery	1,000,000.00	1,000,000.00		
Portable machinery, tools, and implements	1,000,000.00	1,000,000.00		
Furniture and fixtures	1,000,000.00	1,000,000.00		
Miscellaneous equipment	1,000,000.00	1,000,000.00		
Supplies (unexpended).....	1,000,000.00	1,000,000.00		
Administration	1,000,000.00	1,000,000.00		
Salaries and wages	1,000,000.00	1,000,000.00		
Expenses of personnel	1,000,000.00	1,000,000.00		
Transportation.....	1,000,000.00	1,000,000.00		
Office expenses.....	1,000,000.00	1,000,000.00		
Rentals.....	1,000,000.00	1,000,000.00		
Special service.....	1,000,000.00	1,000,000.00		
Miscellaneous general expenses (including clothing and attendance of personnel)	1,000,000.00	1,000,000.00		
Maintenance of:				
Buildings and structures	1,000,000.00	1,000,000.00		
Water and irrigation works, etc.	1,000,000.00	1,000,000.00		
Vessels and launches	1,000,000.00	1,000,000.00		
Land and transportation equipment..	1,000,000.00	1,000,000.00		
Ordnance.....	1,000,000.00	1,000,000.00		
Portable machinery, tools, and implements	1,000,000.00	1,000,000.00		
Furniture and fixtures.....	1,000,000.00	1,000,000.00		
Miscellaneous equipment.....	1,000,000.00	1,000,000.00		
Total.....	1,000,000.00	1,000,000.00		
PHILIPPINE MARINE SERVICE				
Permanent Improvements				
Construction of buildings and structures	1,000,000.00	1,000,000.00		
Stationary machinery.....	1,000,000.00	1,000,000.00		

7,441.87
1,000,000.00

Portable machinery, tools, and implements.	50.93				
Furniture and fixtures.	5,816.84				
Miscellaneous equipment.	22,614.92				
Administration:					
Salaries and wages.	46,770.91				
Expenses of personnel.	390.31				
Transportation.	90.07				
Office expenses.	3,307.11				
Miscellaneous general expenses.	27,167.62				
Maintenance of:					
Buildings and structures.	27.75				
Stationary machinery.	9.44				
Furniture and fixtures.	40.76				
Miscellaneous equipment.	2,662.73				
Total.	117,390.86	3,623.61	113,761.25		
Total, department of public instruction.	3,924,734.25	3,854,366.09	227,513.07	\$157,147.91	\$161,466.79
					62,092.68

THE JUDICIARY.

Permanent improvements:					
Furniture and fixtures.....	₹13,411.01				
Administration:					
Salaries and wages.....	707,122.78				
Expenses of personnel.....	34,627.67				
Transportation.....	325.17				
Office expenses.....	55,896.25				
Miscellaneous general expenses.....	4,512.36				
Maintenance of furniture and fixtures.....	387.53				
Total.....	816,212.77	₹781,128.27	₹35,064.50	₹203,648.51	₹284,250.56
					₹80,611.06

SUMMARY BY DEPARTMENTS.

Executive.....	₹ 1,758,143.65	₹ 1,120,543.01	₹ 650,804.91	₹ 13,294.27	₹ 15,876.11	₹ 17,655.17	₹ 1,244.04	₹ 3,023.10
Interior.....	2,648,558.78	2,274,616.10	217,639.45	43,996.77	238,689.70	171,700.14	67,000.51	80,589.89
Police.....	7,646,419.01	6,567,780.95	1,119,876.28	141,238.22	1,602,886.31	1,418,412.28	284,490.56	90,476.53
Finance and Justice	1,834,662.97	1,741,299.34	1,102,241.16	8,877.53	238,855.66	238,855.66	2,132.22	24,388.15
Public Instruction	3,924,734.25	3,854,369.09	227,513.07	157,147.91	161,469.79	99,377.11	62,092.66	.....
The judiciary	816,212.77	781,128.27	35,064.50	.....	203,648.51	284,250.56	.....	80,611.05
Total.....	18,426,731.43	16,430,734.76	2,353,646.37	364,554.70	2,439,181.21	2,230,250.92	307,479.01	186,557.72

Summary of the account of the insular treasurer, fiscal year ended June 30, 1908.

	General fund.		Depository fund.	Reserve for redemption of silver certificates.	Total.
DEBIT.					
Balance June 30, 1907.....	P20,613,747.87	P20,65,910.09	P7,912,526.00	P21,540,708.00	P50,066,981.87
July, 1907: Deposits.....	4,567,246.01	2,281.40	14,726,010.51	326,000.00	19,618,356.52
Currency received in exchange.....	3,343,200.52		10,246,913.25	524,000.00	14,114,114.07
August: Deposits.....	4,271,946.52	5,817.56	6,115,587.13	330,000.00	8,271,946.52
September 1 to 14: Deposits.....	1,581,959.14		6,991,685.81		2,395,686.60
Currency received in exchange.....	2,395,686.60	1,750.60			8,554,148.51
September 15 to 30: Deposits.....	1,552,452.70				2,965,743.86
Currency received in exchange.....	2,965,743.86	22.20			15,697,823.11
October: Deposits.....	4,647,668.55		10,258,160.56	762,000.00	4,565,524.70
Currency received in exchange.....	4,565,524.70	570.70	7,494,729.60	427,000.00	12,303,081.85
November: Deposits.....	4,391,352.25				3,096,856.74
Currency received in exchange.....	3,096,856.74		7,820,673.35	454,000.00	13,360,964.77
December: Deposits.....	5,086,291.42				7,364,695.64
Currency received in exchange.....	7,364,695.64		7,440,525.72	333,000.00	12,235,873.75
January, 1908: Deposits.....	4,462,348.03				5,580,969.36
Currency received in exchange.....	5,580,969.36		7,280,005.28	954,000.00	11,610,372.88
February: Deposits.....	3,406,367.60				4,308,351.58
Currency received in exchange.....	4,308,351.58		7,115,726.48	1,692,000.00	13,377,062.86
March: Deposits.....	4,669,356.38				4,930,611.24
Currency received in exchange.....	4,930,611.24		6,899,719.96	1,130,000.00	13,789,826.18
April: Deposits.....	5,800,106.22				5,648,761.26
Currency received in exchange.....	5,648,761.26		7,819,547.08	628,000.00	14,152,957.75
May: Deposits.....	5,705,410.67				5,671,777.52
Currency received in exchange.....	5,671,777.52		7,784,688.29	1,074,000.00	15,218,143.09
June: Deposits.....	6,639,454.80				4,462,203.20
Currency received in exchange.....	4,462,203.20				
Total.....	135,510,960.76	76,352.55	115,825,509.02	30,174,708.00	281,511,197.78
CREDIT.					
July, 1907: Withdrawals.....	3,649,434.90		12,113,145.93	2,004,000.00	17,766,580.83
Currency given in exchange.....	4,151,115.75	1,476.81			4,151,115.75
August: Withdrawals.....	4,746,204.61		10,309,698.21	1,980,000.00	17,036,002.82
Currency given in exchange.....	4,256,268.15	27,691.56	7,647,798.56	985,129.00	4,256,268.15
September 1 to 14: Withdrawals.....	1,760,983.40				10,259,692.96
Currency given in exchange.....	2,391,283.20	6,750.00			2,391,283.20
September 15 to 30: Withdrawals.....	1,765,377.01		5,565,221.47		7,330,598.48
Currency given in exchange.....	2,965,760.93				2,965,760.93
Total.....		76,352.55			76,352.55

October: Withdrawals.....	4,364,344.88		10,069,190.46	600,000.00	15,033,535.44	
Currency given in exchange.....	4,565,963.70				4,565,963.70	
November: Withdrawals.....	4,652,642.95	11,474.56	9,586,398.61	300,000.00	14,568,023.56	11,474.56
Currency given in exchange.....	3,086,898.74				3,086,898.74	
December: Withdrawals.....	5,432,555.84		8,686,799.64	1,850,000.00	19,019,353.48	
Currency given in exchange.....	7,364,638.95	48.04			17,364,638.95	48.04
January, 1908: Withdrawals.....	5,575,052.57		8,246,726.04	250,000.00	12,371,785.51	
Currency given in exchange.....	5,870,399.36				5,870,399.36	
February: Withdrawals.....	4,378,351.48		7,131,946.80		12,508,331.28	
Currency given in exchange.....	6,020,588.61				6,020,588.61	
March: Withdrawals.....	4,930,611.24		7,370,623.23	230,000.00	13,631,211.94	
Currency given in exchange.....	4,724,777.17				4,724,777.17	
April: Withdrawals.....	5,648,751.26		7,420,410.35	850,000.00	12,995,157.52	
Currency given in exchange.....	4,046,711.30				4,046,711.30	
May: Withdrawals.....	5,659,953.38		8,051,392.02	100,000.00	12,198,193.22	
Currency given in exchange.....	3,690,503.23	29,911.55			5,649,751.26	
June: Withdrawals.....	4,462,293.20		7,616,926.26	2,275,800.00	13,583,292.51	29,911.55
Currency given in exchange.....	19,448,739.53				19,448,739.53	
Balance June 30, 1908.....	135,510,980.76	76,352.55	6,010,240.33	18,883,699.00	44,342,678.86	
Total.....		76,352.55	115,825,509.02	30,174,708.00	281,511,197.78	76,352.55

^a Includes ₧824,000 mutilated currency destroyed.

^b Includes ₧196,200 mutilated currency destroyed.

Summary of appropriation accounts, fiscal year ended June 30, 1908.

[NOTE.—Items in parentheses indicate overdrawn appropriations.]

Item.	Balances June 30, 1907.	Appropriations, fiscal year 1908.	Transfers.	Receipts from operation.	Total.	Expenditures.	Transfers.	Reversions.	Balance June 30, 1908.
BUREAUS AND OFFICES.									
Executive, legislative, and judicial:									
The Philippine Commission.									
The Philippine Assembly.	P 3,638.88	P 148,500.00			P 152,138.88	P 127,291.89		P 24,846.99	
The executive bureau.	5,267.25	565,000.00		P 22.90	565,022.90	558,794.83		6,228.07	
Bureau of audits.	(7,368.14)	164,000.00			166,268.25	166,268.25		12,932.03	
Bureau of civil service.	1,204.24	494,000.00		14,632.07	501,236.93	479,758.46		21,478.47	
Bureau of the interior:	58.42	866,000.00			867,894.24	866,578.43		1,315.81	
Bureau of health.		78,500.00		1,244.04	79,744.04	79,556.68		187.36	
Bureau of lands.	215,288.91	1,280,000.00		93,563.93	1,588,852.84	928,854.97		660,111.25	
Bureau of mines.	54,421.44	488,000.00		20,118.74	562,540.18	560,871.90	P 866.62	123,668.29	
Bureau of science.	59,406.19	307,000.00		58,798.46	425,802.64	427,273.07		18,529.57	
Bureau of agriculture.	(11,047.15)	310,000.00		59,304.82	357,357.67	346,672.22		10,685.45	
Bureau of forestry.	11,629.82	111,000.00		137.16	112,066.98	109,630.12		2,436.86	
Bureau of quarantine.	30,353.86	128,000.00		4,703.61	172,059.46	119,624.62		52,434.84	
Weather bureau.	2,076.74	128,500.00		77.04	128,633.78	123,102.81		3,530.97	
Department of commerce and police:									
Bureau of constabulary.	259,973.71	3,050,500.00		211,513.78	3,521,987.49	3,632,592.42			P (10,804.93)
Bureau of public works.	55,688.78	627,300.00		214,041.15	896,930.93	973,765.68	718.97	13,951.06	(91,465.78)
Bureau of navigation—									
light-house service.	37,611.94	313,000.00		864.60	351,376.63	260,722.54	10,750.00	79,904.09	
Navigation division.	149,190.72	738,220.00		416,614.82	1,303,925.54	1,168,565.15	15,609.85	119,850.54	
Port works.		253,000.00		5,132.07	258,132.07	238,056.40	10,750.00	11,325.67	
Bureau of posts.	56,337.46	688,000.00		757,686.47	1,501,913.93	1,377,465.43		224,448.50	
Bureau of coast and geodetic survey.	19,626.38	205,000.00		107.34	224,733.72	187,430.91		37,302.81	
The consulting architect.		12,000.00			12,000.00	12,000.00			
Superintending railway expert.	22,160.02	111,500.00		1,136.80	134,796.82	105,508.40		29,288.42	
Department of finance and justice:									
Bureau of customs.	97,042.20	840,000.00		92,072.62	1,029,114.82	877,226.79		151,888.03	
Bureau of justice.	31,309.66	162,000.00		2,223.22	195,532.88	136,244.23	5,000.00	62,288.65	
Bureau of internal revenue.	73,167.62	578,000.00		128,696.42	774,863.04	720,115.64		54,747.40	
Bureau of treasury.	7,827.68	142,500.00		1,027.86	151,355.07	137,801.81		23,553.26	

Department of public instruction:	(63,439.01)	3,510,000.00	33,568.42	3,450,159.41	3,176,300.44	100,000.00	173,888.97
Bureau of education.....							
Bureau of prisons: Prison division.....	31,908.92	583,200.00	127,871.37	742,880.29	735,512.77		7,367.52
Philippine Medical School.....	2,750.51	147,000.00		146,780.51	117,776.98		31,979.53
University of the Philippines.....		100,000.00		100,000.00			100,000.00
The judiciary.....	16,647.54	835,000.00	203,648.51	1,045,296.08	834,135.91		231,160.14
Total.....	1,171,737.58	17,540,820.00	2,445,615.84	21,168,178.42	18,845,213.73	143,595.44	2,271,464.96
MISCELLANEOUS SPECIFIC APPROPRIATIONS.							(102,100.71)
Fidelity bond premium.....	42,901.37	65,000.00		165,310.45	1,874.78		163,435.67
General purposes.....	188,819.02	50,000.00	57,409.08	376,808.28	64,983.60		311,824.68
San Jose litigation.....	1,876.27		137,689.26	1,876.27			1,876.27
Expenses registration: property at Cebu.....	200.00			200.00			200.00
Subsidies to contract steamship owners.....	98,017.11	230,000.00		328,017.11	221,718.28		106,298.83
Pay of Cavite police.....	2,438.69	7,680.00		10,116.69	7,391.11		2,725.58
Gift to inhabitants of Kalina.....	500.00			500.00	500.00		
Collection and delivery of letters to Cullon leper colony.....	1,384.37			1,384.37	1,187.88		198.49
Exposition board.....	7,965.80		82.70	7,948.50	6,700.75		1,247.75
Economic association.....	180.00	2,880.00		3,060.00	1,560.00		1,500.00
Extra compensation: Multi-lated-currency examiners.....	200.00			200.00	200.00		
Payment to George Curry.....	850.00			850.00	850.00		
Payment to Ramon F. Santos.....	4,357.00			4,357.00	4,357.00		
Extra compensation: Treasury examiners.....	2.00			2.00			2.00
Scholarship maintenance expenses Philippine Medical School.....		15,000.00		15,000.00	76.66		14,923.34
Expenses Secretary of War and party.....		20,000.00		20,000.00	19,954.03		45.97
Coal for U. S. Fish Commission boat Albatross.....		15,000.00		15,000.00	13,534.12		1,465.88
Transportation between Dagupan and Baguio.....		19,200.00		19,200.00	14,400.00		4,800.00
Suppression of head-hunting, Act No. 1079.....		6,000.00			2,862.67		3,137.33
Boundaries to tobacco growers.....		13,250.00		13,250.00			13,250.00
Purchase of boats for Mindoro and Samar.....		25,000.00		25,000.00	12,542.34		12,457.66
Expenses board of rate regulation.....		5,000.00		5,000.00	1,718.33		3,281.67
Relief and return of shipwrecked Filipino mariners.....		2,000.00		2,000.00			2,000.00

Summary of appropriation accounts, fiscal year ended June 30, 1908—Continued.

[Items in parentheses indicate overdrawn appropriations.]

Item.	Balance June 30, 1907.	Appropriations, fiscal year 1908.	Transfers.	Receipts from operation.	Total.	Expenditures.	Transfers.	Reversions.	Balance June 30, 1908.
MISCELLANEOUS SPECIFIC APPROPRIATIONS—Cont'd.									
Promotion of commercial and industrial interests.....		P25,000.00			P25,000.00	P6,748.46			P18,250.54
Philippine Carnival Association: Postage and printing.....		10,000.00			10,000.00	5,615.50			4,383.50
Aid to carnival.....		10,000.00			10,000.00	10,000.00			
Settlement of unpaid bills: Al- bay law and order fund.....		2,000.00			2,000.00	1,237.43			762.57
Salary and traveling expenses secretaries Resident Com- missioners in United States.		5,500.00			5,500.00	4,131.87			1,368.13
Relief of sufferers from public calamities.....		100,000.00			100,000.00				100,000.00
Services coast-guard cutter carrying election forms to Balaine Islands.....			P1,550.00		1,550.00	1,215.74			334.26
Service coast-guard cutter in restoration order in Leyte and Samar.....			13,670.00		13,670.00	13,670.00			
Establishment and mainte- nance educational work among non-Christian tribes, Act No. 1079.....			75,000.00		75,000.00	23,696.51			51,303.49
Support primary instruction in municipalities, friar lands estates, Act No. 1079.....			25,000.00		25,000.00	23,919.39			1,080.61
Sale of rice, Act No. 485.....			25,000.00		25,000.00	1,225.75			798.39
Payments to Sultan of Sulu.....	P1,124.87			P100.88					
Relief of officers.....	975.17	16,067.33			16,332.50	16,332.50			305.00
Relief of employees.....	500.00				500.00	105.00			395.00
Delegations to Navigation Com- mission at St. Petersburg.....	218.02				218.02	12.08			205.94
Extermination of cattle dis- eases, Act No. 1827.....		34,000.00			34,000.00				34,000.00
Delegations to Tuberculosis Con- gress, Act No. 1833.....		100,000.00			100,000.00	48,203.81			51,796.19
Philippine Public Library, Act No. 1840.....		4,000.00			4,000.00				4,000.00
		4,000.00			4,000.00				4,000.00

Prize for invention substitute for nipa roof, Act No. 1387.....		15,000.00				15,000.00
Entertainment of American fleet, Act No. 1890.....		75,000.00				75,000.00
Gift to inhabitants of Apayo.....	500.00				500.00	
Miscellaneous, fiscal year 1901.....			110.00			110.00
Reimbursement supplies lost in Cagayan River.....		1,605.50			1,605.50	
Postal savings bank deficiency operating expenses, Act No. 1493.....		16,953.55			16,953.55	
To reimburse public works and permanent improvements bond issue for loan in city of Manila.....		350,000.00			350,000.00	
Total.....	332,200.00	1,245,126.38	115,220.00	195,601.92		1,002,575.80
FIXED CHARGES.						
Interest on prior lands bonds.....		296,662.51		267,537.40		
Federal lands bonds sinking fund.....		459,814.32				
Interest on public works and permanent improvements bonds (30,000.00).....		312,662.50				
Public works and permanent improvements bonds sinking fund.....		547,052.57				
Insular contribution to city of Manila.....		1,246,224.60				
Interest on Philippine Railway bonds.....		113,418.07				
Total.....	(30,000.00)	2,975,834.57		267,537.40	3,213,372.06	
INSULAR AID TO PROVINCES.						
Provinces of Bulacan.....	2,334.45				2,334.45	
Provinces of Cebu:						
Act No. 1393.....	1,800.00				1,800.00	
Act No. 1660.....	3,000.00				3,000.00	
Provinces of Leyte, act.....	7,500.00				7,500.00	
Provinces of Samar:						
Act No. 1660.....	6,000.00				6,000.00	
Arms and ordinance.....	1,196.06				1,196.06	
Provinces of Benguet.....	26,000.00				26,000.00	
Provinces of Iloilo.....	26,800.00				26,800.00	
Provinces of Lepanto-Bontoc.....	21,000.00				21,000.00	
Provinces of Mindoro.....	20,600.00				20,600.00	
Provinces of Nueva Vizcaya.....	15,500.00				15,500.00	
Provinces of Palawan.....						1,196.06

Summary of appropriation accounts, fiscal year ended June 30, 1908—Continued.

Item.	Balance June 30, 1907.	Appropriations, fiscal year 1908.	Transfers.	Receipts from operation.	Total.	Expenditures.	Transfers.	Reversions.	Balance June 30, 1908.
INSULAR AID TO PROVINCES—continued.									
Province of Samar, salary and expenses lieutenant-governor, Acts Nos. 1785 and 1873.		₱20,000.00			₱20,000.00				₱20,000.00
Province of La Laguna, construction and improvement roads, Act No. 1688.		20,000.00			20,000.00	₱20,000.00			
Agusan and subprovince.		15,174.54			15,174.54	15,174.54			
Refund of court costs.		75,000.00			75,000.00	75,000.00			
Payments to provinces in lieu of land tax.		557,022.51			557,022.51	557,022.51			
Loans to provinces.		41,666.67	₱844,441.77		886,108.44	886,108.44			
Total Insular aid to provinces.	₱21,830.51	838,593.72	844,441.77		1,704,868.00	1,683,639.94			21,198.06
PUBLIC WORKS AND PERMANENT IMPROVEMENTS FROM INSULAR REVENUE.									
Public works, Acts Nos. 490 and 807.	2,048.58				2,048.58				2,048.58
Culion leper colony, Act No. 1861.	2,950.43				2,950.43				2,950.43
Water supply system, Culion, Act No. 1860.	2,280.12				2,280.12				
Roads and bridges, Act No. 1.	20,638.47		866.62		20,638.47	3,148.74			5,197.70
Construction of schoolhouses in Samar, Act No. 1680.	35,754.60				35,754.60	32,374.50	₱9,500.00		3,380.10
Hospital building, bureau of prisons, Act No. 1590.	91,000.00				91,000.00	68,562.59			22,437.41
Construction of schoolhouses in provinces and city of Manila.	290,566.17				290,566.17	53,774.59			236,791.58
Constabulary barracks and quarters, Act No. 1680.	100,000.00				100,000.00	53,417.16			46,582.84
Retaining wall and repairs, Malacbang, Act No. 1680.	15,000.00				15,000.00	8,175.43			6,824.57
Grading grounds, bureau of science, Act No. 1590.	4,060.00				4,060.00	4,022.25			37.75

Governor-general's residence, Baguio.	26,773.80	442.37	27,216.17	27,216.17	1,965.00	1,965.00
Assay house, bureau of science, Act No. 1662.	1,965.00		1,965.00			
High-school building, Bacolod, Act No. 1662.	3,000.00		3,000.00			
Fireproof vault, court of land registration, Act No. 1662.	2,400.00		2,400.00			
Immigration and detention station, Pasig River, Act No. 1662.	10,000.00		10,000.00			
Dairy barn, Alabang, bureau of agriculture, Act No. 1662.	6,600.00		6,600.00			6,600.00
Hospital building, Baguio, Act No. 1662.	50,000.00		50,000.00			19,396.26
San Miguel de Mayumo-Sibul Springs road, Act No. 1662.	43,000.00	9,500.00	52,500.00	38,622.97	30,650.74	13,877.03
Restoration Magallanes Monument, Mactan, Cebu, Act No. 1662.	1,850.00		1,850.00	1,743.89		106.11
Construction Pagbilao-Atimonan road, Act No. 1662.	120,000.00		120,000.00	19,108.31		100,891.69
Artisan wells, Act No. 1837.	37,000.00	150,000.00	187,000.00	44,378.96		142,621.04
Improvement port of Manila, Act No. 22.	19,332.04		19,332.04	8,201.39		11,130.65
Investigation harbor improvement, Act No. 1580.	1,334.21		1,334.21			1,334.21
Wharf abutments, Manila, Act No. 1580.	11,507.75		11,507.75	7,315.99		4,191.76
Construction Luneta extension, Manila, Act No. 1580.	43,028.75		43,028.75	14,925.95		28,102.80
Light-house, const. Act No. 1662.	77,388.93		77,388.93	62,022.91		15,366.02
Repair to bulkheads and retaining wall, Luneta extension, Act No. 1660.	6,792.30		6,792.30	854.46		5,937.84
Clearance Bayabas and Narra-gany rivers, Act No. 1662.	5,184.30		5,184.30	4,130.71		1,053.59
Post-office wharf, Manila, Act No. 1660.	31.54		31.54			31.54
Dredging lower Cagayan River, Act No. 1660.	4,746.19		4,746.19	3,456.78		1,289.41
Repairs to Cebu wharf, Act No. 1660.	1,000.00		1,000.00	902.40		97.60
Sewer system, Bilbid, Act No. 1580.	20,000.00		20,000.00			20,000.00
Sanitary beds, Bilbid Prison, Act No. 1580.	20,000.00		20,000.00	7,373.29		12,626.71
Pasig River walls below Bridge of Spain, Acts Nos. 1421 and 1750.	40,563.19		40,563.19			40,563.19
Light-house construction, Act No. 1246.	9,907.27		9,907.27	760.43		9,146.84

Summary of appropriation accounts, fiscal year ended June 30, 1908—Continued.

Item.	Balances June 30, 1907.	Appropriations, fiscal year 1908.	Transfers.	Receipts from operation.	Total.	Expenditures.	Transfers.	Reversions.	Balance June 30, 1908.
PUBLIC WORKS AND PERMANENT IMPROVEMENTS FROM INSULAR REVENUE—cont.									
Loboc-Bilar road, Act No. 1688.		₱ 100,000.00			₱ 100,000.00				₱ 100,000.00
Cebu-Toledo road, Act No. 1688.		167,000.00			167,000.00	₱ 63,535.76			103,464.24
Permanent bridges and completion of Curac-Batili road, Act No. 1688.		103,000.00			103,000.00				103,000.00
Permanent bridges and completion Tabaco-Ligao road, Act No. 1688.		186,600.00			186,600.00	2,164.05			184,435.95
Permanent bridges and completion Bay-Tlaong road, Act No. 1688.		42,300.00			42,300.00	38,911.81			3,388.19
Permanent bridges Calamba-Los Baños-Bay road, Act No. 1688.		32,000.00			32,000.00	25,491.97			6,508.03
Capas-O'Donnell-Iba road, Act No. 1688.		98,200.00			98,200.00		₱ 86,200.00		
Improvement Benguet road, Act No. 1688.		38,000.00			38,000.00	31,774.19			6,225.81
Passay-Camp Hayson road, Act No. 1688.		54,125.00			54,125.00	50,731.02			3,393.98
Construction and maintenance of roads and bridges at discretion of secretary of commerce and police, Act No. 1688.		500,000.00			500,000.00	45,220.19			552,969.81
General Hospital, Manila, Act No. 1688.		780,000.00	₱ 98,200.00		780,000.00	1,761.28			778,238.74
Construction and maintenance irrigation plants at discretion of secretary of commerce and police.		250,000.00			250,000.00				250,000.00
Construction of walls south side Pasig River, Acts Nos. 1688 and 1687.		215,450.00			215,450.00	13,995.06			201,454.94
Filling behind Pasig River walls, Act No. 1688.		26,700.00			26,700.00				26,700.00

Construction building at Alabang, bureau of agriculture, Act No. 1688.....	39,100.00		39,100.00	27,413.41	11,686.59
Construction building at Baguio, bureau of agriculture, Act No. 1688.....	8,250.00		8,250.00	4,145.55	4,104.45
Construction station barn at Trinidad, bureau of agriculture, Act No. 1688.....	2,129.00		2,129.00	1,398.39	700.61
Construction calf stable, bureau of sciences, Act No. 1688.....	13,500.00		13,500.00	678.00	12,822.00
Roofing wharf at Mariveles, Act No. 1688.....	4,400.00		4,400.00	65.51	4,334.49
Construction constabulary barracks and quarters, Act No. 1688.....	100,000.00		100,000.00	43,737.91	56,262.09
Fireproof vault, Oriente building, Act No. 1688.....	10,400.00		10,400.00		10,400.00
Storehouse for acids and chemicals, bureau of customs, Act No. 1688.....	2,000.00		2,000.00	1,163.98	806.02
Restoration buildings on friar lands estates, Act No. 1688.....	14,500.00		14,500.00	13,159.89	1,340.11
Construction and maintenance irrigation plants on friar lands estates, Act No. 1688.....	45,500.00		45,500.00	41,832.54	3,667.46
Irrigation plant, Bayombong, Act No. 1688.....	11,775.00		11,775.00		11,775.00
Recreation, Macabalan, Mount, Manila, Act No. 1688.....	5,000.00		5,000.00		5,000.00
Improvement Baguio town site, Act No. 1688.....	20,000.00	276.60	20,276.60	20,276.60	
Guard quarters, Bulid, reinforcement with concrete, Act No. 1688.....	12,000.00		12,000.00	12,000.00	
Intendencia building, Additional riprap on breakwater, Manila, Act No. 1688.....	10,000.00		10,000.00	9,500.33	499.67
Signal tower, Engineer Island, Act No. 1688.....	12,226.00		12,226.00	12,226.00	
Construction second story warehouse, Engineer Island, Act No. 1688.....	3,000.00		3,000.00	2,987.54	12.46
Construction school buildings in provinces and teachers' quarters in non-Christian tribes districts.....	21,500.00	21,789.85	43,289.85	43,289.85	
Buildings and gas plant, Philippine Medical School, Act No. 1688.....	350,000.00		350,000.00	20,657.31	329,342.69
Permanent roads and bridges allotment, secretary of commerce and police, Act No. 1783.....	251,000.00		251,000.00		251,000.00
	200,000.00		200,000.00	56.33	199,943.67

Summary of appropriation accounts, fiscal year ended June 30, 1908—Continued.

Item.	Balances June 30, 1907.	Appropriations, fiscal year 1908.	Transfers.	Receipts from operation.	Total.	Expenditures.	Transfers.	Reversions.	Balance June 30, 1908.
PUBLIC WORKS AND PERMANENT IMPROVEMENTS FROM INSULAR REVENUE—CON.									
Painting and repairing Manila custom-house, Act No. 1786.		₱7,500.00			₱7,500.00	₱2,123.76			₱5,376.24
Construction schoolhouses in barrios at discretion of secretary of public instruction, Act No. 1801.		250,000.00			250,000.00				250,000.00
Construction schoolhouses, Act No. 1622.	₱2,000.00				2,000.00				2,000.00
Cuyo wharf, Act No. 1188.	75.71				75.71				75.71
Anchors and buoys, Acts Nos. 490 and 807.	4,677.28				4,677.28	2,711.05			1,966.23
Purchase settlers' rights, Iwahig, Act No. 1580.	72.00				72.00	23.00			47.00
Cebu-Toledo trail, Act No. 1390.	5,000.00				5,000.00	5,000.00			
Taytay-Antipolo road, Act No. 1622.	5,000.00				5,000.00	5,000.00			
Plans for Philippine capitol building, Act No. 1837.		100,000.00			100,000.00				100,000.00
Friar-lands estates irrigation plants at discretion of secretary of interior, Act No. 1837.		60,000.00			60,000.00				60,000.00
Improved government land around Sibul Springs, Act No. 1837.		10,000.00			10,000.00				10,000.00
Additional wards for contagious diseases, San Asaro Hospital, Act No. 1837.		30,000.00			30,000.00				30,000.00
Animal quarantine station, Manila, Act No. 1837.		85,000.00			85,000.00				85,000.00
Fruit plant and artesian well, Bureau of agriculture, Act No. 1837.		18,000.00			18,000.00				18,000.00
Beast sanatorium, Baguio, Act No. 1837.		11,000.00			11,000.00				11,000.00
Construction arrastre plant, Cebu, Act No. 1837.		200,000.00			200,000.00				200,000.00

Raising grade and additional track, Engineer Island, Act No. 1837.....	5,000.00					5,000.00
Lumber shed, Engineer Island, Act No. 1837.....	6,000.00					6,000.00
Launch for bureau of navigation, Act No. 1837.....	40,000.00					40,000.00
Gasoline ketch, bureau of navigation, Act No. 1837.....	12,000.00					12,000.00
Fourth-order light, Suluan Island, Act No. 1837.....	60,000.00			5.32		50,994.68
Minor lights and substitution of iron and concrete for wood towers and houses, Act No. 1837.....	35,000.00					35,000.00
Buoys and beacons, Act No. 1837.....	15,000.00					15,000.00
River wall and wharves, Muelle Loney, Iloilo, Act No. 1837.....	110,000.00					110,000.00
Filling hospital grounds, Bilibid Prison, Act No. 1837.....	12,000.00					12,000.00
Sanitary beds, Bilibid Hospital, Act No. 1837.....	3,000.00					3,000.00
Purchase of land for animal quarantine stations, Manila, Iloilo, Cebu, Act No. 1855.....	150,000.00					150,000.00
Erection permanent government storehouse, Manila, Act No. 1888.....		350,000.00				350,000.00
Construction Cavite boulevard, Act No. 1745.....	100,000.00					100,000.00
Total	1,144,558.63	5,199,155.00	481,075.44	1,059,511.56	2,107,700.00	5,667,577.51
CAPITAL OPERATIONS.						
Bureau of science: Library fund.....						2,648.00
Bureau of constabulary: Commissary stores.....	232,053.81			32,417.56	200,000.00	33,266.84
Bureau of customs: Armature plant.....	86,899.56			103,728.64		94,117.70
Bureau of customs: Ammunition.....	278.41			3,137.53		327.13
Bureau of supplies: Bureau of supplies division.....	1,269,878.21			4,464,189.35		605,104.24
Bureau of printing.....	7,493.85			288,619.46		8,503.81
Bureau of prisons.....	157,641.94			458,670.72		172,806.44
Industrial division.....	91,753.28			361,250.02		128,959.25
General stores, Iwahig penal settlement.....		500.00		1,025.85		776.40

Summary of appropriation accounts, fiscal year ended June 30, 1908—Continued.

Item.	Balances June 30, 1907.	Appropriations, fiscal year 1908.	Transfers.	Receipts from operation.	Total.	Expenditures.	Transfers.	Reversions.	Balance June 30, 1908.
CAPITAL OPERATIONS—CON.									
Bureau of navigation: Marine railway and repair shop.	₱63,653.69			₱455,605.89	₱519,259.58	₱465,176.74			₱54,082.84
Bureau of Internal Revenue: Proceeds of opium licenses—									
Sec. 26, Acts Nos. 1461 and 1761.	591,314.35			232,356.67	823,671.02	10,642.16			813,028.86
Sec. 27, Acts Nos. 1461 and 1761.				37,505.23	37,505.23	20,834.10			16,671.13
The judiciary: Supreme court library.			₱5,000.00	4,140.00	9,140.00	2,085.45			7,054.55
Baguio town site: Improvement fund.	291.85			11,563.36	11,855.31	13,233.12			(1,377.81)
Coal supply fund (bureau of customs).	(1,886.17)			155,626.34	153,740.17	133,321.25			20,418.92
Friar lands loan fund.		₱100,000.00			100,000.00	11,690.00			88,310.00
The insurance fund.		250,000.00		15,778.58	265,778.58	151,500.00			114,278.58
Total.	2,499,270.88	350,500.00	5,000.00	6,715,594.84	9,570,365.72	6,521,531.95	₱680,873.89	₱200,000.00	2,158,959.88
PUBLIC WORKS AND PERMANENT IMPROVEMENT FUND.									
Quarantine station, Cebu, Act No. 1342.	1,118.71				1,118.71	287.17			831.54
Public works, bureau of public works, Act No. 1342.	64,671.73				64,671.73				64,671.73
Benguet Improvements, Act No. 1342.	387.65				387.65	357.65			
Improvement Manila Harbor and Pasig River, Acts Nos. 1342, 1379, and 1440.	962,933.09				962,933.59	572,577.60			410,375.99
Improvement port of Cebu, Act No. 1342 and 1440.	687,146.36				687,146.36	494,006.16			223,137.20
Improvement port of Iloilo, Act No. 1342 and 1650.	177,968.54				177,968.54	2,293.59	80,000.00		95,719.95
Lighthouse construction, Act No. 1342.	4,973.41				4,973.41	4,973.41			

[illegible]

Summary of appropriation accounts, fiscal year ended June 30, 1908—Continued.

Item.	Balances June 30, 1907.	Appropriations, fiscal year 1908.	Transfers.	Receipts from operation.	Total.	Expenditures.	Transfers.	Reversions.	Balance June 30, 1908.
CONGRESSIONAL RELIEF FUND—continued.									
Banquet Improvements: Act No. 1046.....	₱ 4.50				₱ 4.50		₱ 4.50		
Act No. 1137.....	66.67				66.67		66.67		
Construction Tarlac dyke, Act No. 1406.....	19,000.00				19,000.00	₱ 16,000.00			₱ 3,000.00
Relief of inhabitants: Lumban, Act No. 797.....	250.00				250.00		250.00		
Batanes Islands, Act No. 1406.....	283.75			₱ 38.55	343.30	6.39	336.91		
Relief fire sufferers: Iloilo, Act No. 1406.....	10,000.00				10,000.00	10,000.00			
Bay, Act No. 1406.....	350.00				350.00		350.00		
Leont board, Act No. 1406.....	2,746.00				2,746.00		2,746.00		
Relief of inhabitants: Iloilo, Cavite, Act No. 1406.....	500.00				500.00	500.00			
Council, Act No. 1406.....						(24.80)	24.80		
Loans to provinces under direction of governor-general. Municipality of Iloilo, operation and maintenance of communication stations, Act No. 1709.....		₱ 100,000.00		82.22	100,082.22	67,500.00			32,582.22
Cayes-O'Donnell road, Act No. 1016.....	5.35	9,828.91	₱ 68,973.85		78,802.76	75,076.60			3,826.16
Bay-Tiang road, Act No. 1073.....	652.90			3,210.64	3,215.99	1,297.82			1,918.17
Magdalena-Santa Cruz road, Act No. 1073.....	162.30				652.90	467.30	185.60		
Relief: Families of volunteers Dagami.....	140.00				162.30	162.30			
Municipality of Leon, Act No. 1406.....					140.00		140.00		
Restriction anthrax in Lepanto-Bontoc.....			500.00		500.00	500.00			
Subject to resolution, Act No. 1406.....	27,083.82		2,500.00		2,500.00	2,500.00			
A available for appropriation.....	109,028.91	(109,028.91)			27,083.82		27,083.82		
Total.....	286,335.90		74,963.66	4,836.20	376,155.76	201,944.74	74,963.66		99,227.36

TRUST FUNDS.

Extra service employees, bureau of customs	2,927.17	37,470.36	40,397.53	35,600.06	4,707.45
Services of officers in bonded warehouses	293.85	6,298.46	6,592.31	6,313.46	278.85
Surplus on auction sales, bureau of customs	1,010.06	160.66	1,170.72	23.80	1,146.66
Refundable export duties	831,048.66	730,387.46	1,561,436.12	753,065.21	643,184.80
The guarantee fund, bureau of customs		7,166,448.87	7,166,448.87	6,979,317.06	187,131.81
Provincial and municipal internal-revenue undistributed pension and retirement fund	508,798.41	6,362,730.06	6,901,519.47	6,847,370.43	54,146.04
bureau of constabulary	101,681.18	21,743.88	123,423.06	33,443.36	89,981.70
Invalid money orders, bureau of posts	4,094.28	481.30	4,575.58	648.30	
Postal savings bank, bureau of posts	510,081.64	577,412.71	1,067,494.35	380,296.36	697,197.99
Assurance fund	21,131.35	9,262.00	30,393.35		30,393.35
Silver certificate redemption fund	21,540,708.00	8,634,000.00	30,174,708.00	11,291,009.00	18,883,699.00
Philippine money-order fund	585,026.02	2,252,669.16	2,841,621.46	1,900,000.00	941,621.46
Outstanding liabilities	10,244.52	3,398.39	13,632.91	1,955.52	11,677.39
Real-estate redemption fund		17,597.06	17,597.06	17,597.06	
Tax guarantee fund		28,451.37	28,451.37	23,797.26	4,654.11
Rizal Monument fund		120,001.50	120,001.50	621.40	119,380.10
Homestead redemption fees		38,298.69	33,298.69	10,065.74	23,212.95
Estates deceased government employees		33,250.71	33,250.71	22,233.77	11,016.94
Fire-line badge fund		408.00	408.00	4.00	404.00
Blind prisoners, trust fund		8,065.94	8,065.94	5,882.78	2,213.06
Contractors' trust fund		16,048.50	16,048.50	14,798.50	1,260.00
Sheriff of Manila		115,756.28	115,756.28	135,191.62	a 19,435.34
Supreme Court		123,888.26	5,068.90	2,957.16	2,111.75
Judiciary		1,060.00	123,888.26	74,523.65	44,265.71
Students' guarantee fund			1,060.00	760.00	920.00
Provincial school fund:					
Capit.....	22,000.00		22,000.00	22,000.00	
Hollo.....		5,000.00	5,000.00	5,000.00	
Miscellaneous trust funds:					
R. A. Blair.....	434.00		434.00	38.00	398.00
School.....	960.00		960.00	960.00	
R. A. Scott.....		5,560.00	5,560.00	4,500.00	1,060.00
Frislands bonds sinking fund	711,901.53				
Public works and permanent improvements bonds sinking fund		494,063.85	1,205,963.38	917,689.55	288,324.88
Gold-standard fund	689,929.48				288,283.91
Local currency account	50,700.07				(562,366.41)
		39,100.70	58,732.64	19,631.94	39,100.70

a Overdraft caused by erroneous deposit in depository fund.

Summary of appropriation accounts, fiscal year ended June 30, 1908—Continued.

[Items in parentheses indicate overdrawn appropriations.]

Item.	Balance June 30, 1907.	Appropriations, fiscal year 1908.	Transfers.	Receipts from operation.	Total.	Expenditures.	Transfers.	Reversions.	Balance June 30, 1908.
TRUST FUNDS—continued.									
Depository funds.....	P7,912,526.00			P107,912,983.02	P115,825,509.02	P109,815,598.09			P8,010,240.33
Interest accrued and unpaid.....	464,766.67			1,205,762.23	1,670,528.90	1,120,588.44			549,940.46
Total.....	33,950,292.99		P48,006.88	154,320,374.44	188,327,754.21	159,823,134.12	P213,292.99		28,291,337.10
CITY OF MANILA.									
Municipal board.....	545.21	P206,602.00		45.70	207,192.91	206,491.00		P1,701.91	
Department of sanitation and transportation.....	15,223.00	61,595.00		806,048.77	882,866.86	870,323.63			12,543.23
Department of assessments and collections.....	9,732.23	39,240.00		10,478.65	59,450.88	45,390.00		14,070.88	
Law department.....	6,436.14	27,470.00		91,447.68	125,353.77	106,942.25		18,711.02	
Fire department.....	14,007.14	294,250.00		3,770.06	320,027.19	320,028.19		19,799.00	
Police department.....	42,592.38	544,500.00		813,106.41	1,400,198.84	749,588.94		66,160.97	
Department of city schools.....	26,728.72	286,500.00		226,076.03	311,228.72	261,816.43		49,413.29	
Department of engineering and public works.....	33,048.62	428,178.00		300,063.72	761,290.24	687,691.09		73,599.15	
Interest on sewer and waterworks construction bonds.....	(6,668.67)	249,141.67			242,475.00	242,475.00			
Sewer and waterworks construction bond sinking fund.....		116,220.00			116,220.00	116,220.00			
Widening and straightening streets.....	41,298.56	48,500.00			89,798.56	19,667.35			70,131.21
Two-fifths cost construction vault in city hall.....	1,600.00				1,600.00	1,600.00			
Reimbursement Provinces of Rial for construction Marquina bridge.....		1,500.00			1,500.00	1,500.00			
Improvement Luneta extension.....		20,000.00			20,000.00	10,000.00			10,000.00
Expense of land for widening Calle Jolo.....		36,000.00			36,000.00	8,390.33			27,609.67
Tondo school building.....		62,000.00			62,000.00	8,348.81			53,651.19
Retaining walls, Malate school.....		6,000.00			6,000.00	2,864.65			3,135.35
Addition to Sampaloc market.....		8,000.00			8,000.00	8,000.00			
Bridges, esteros, parks, and streets.....									
Cactus road and bridge fund.....				98,007.71	98,007.71	49,424.55			48,583.16
Sewer and waterworks sinking fund.....	80,592.44			65,447.03	65,447.03	2,664.50			62,782.53
Total.....				119,501.28	200,093.82				200,093.82

City of Manila revenue account.	170,433.00	3,206,227.71	3,376,660.71	3,362,235.69		14,425.02
Total.....	170,433.00	4,930,114.43	7,804,383.31	7,057,932.41	243,475.72	502,955.18
CITY OF MANILA SPECIAL AC- COUNTS.						
Sewer and waterworks con- struction	3,709,449.60		3,709,449.60	2,235,548.03		1,473,901.57
Luneta extension, Act No. 1360.	40,970.88		40,970.88			40,970.88
City of Manila Insurance fund	10,000.00		10,000.00	9,400.00		600.00
Repayment Luneta extension loan.....	100,000.00		100,000.00	100,000.00		
Total.....	3,750,420.48		3,860,420.48	2,344,948.03		1,515,472.45
RECAPITULATION.						
Bureaus and offices.....	1,171,737.58	17,540,820.00	2,445,615.84	21,158,173.42	18,845,213.73	(P102,100.71)
Miscellaneous general expenses.	352,209.69	1,245,126.38	195,691.92	1,906,247.99	900,758.25	1,002,575.89
Insular aid to provinces.....	21,830.51	838,563.72	844,441.77	1,704,836.00	1,687,639.94	21,196.06
Fixed charges.....	(30,000.00)	2,975,854.57	267,537.49	3,213,372.06	3,213,372.06	
Public works and permanent improvements from Insular revenue.....	1,144,558.63	6,199,155.00	481,075.44	6,824,786.07	1,089,511.56	5,657,577.51
Capital operations.....	2,469,270.88	350,500.00	5,000.00	9,570,365.72	6,521,531.95	2,158,959.88
Public works and permanent improvements fund.....	2,152,468.28	220,274.00	350,000.00	2,802,742.26	1,287,918.65	1,224,549.61
Compassional relief fund.....	296,335.90		74,983.66	376,155.76	201,944.74	99,227.86
Miscellaneous liabilities of the government.....	33,950,282.89		46,086.88	189,327,754.21	159,823,134.12	28,291,337.10
City of Manila.....	264,139.21	2,439,698.67	4,930,114.43	7,804,383.31	7,057,932.41	502,955.18
Outstanding obligations of bu- reaus and offices and city of Manila.....	3,750,420.49	110,000.00		3,860,420.49	2,344,948.03	1,515,472.46
Outstanding warrants.....	278,272.91	a 503,186.83		503,186.83	c 50,686,217.67	503,186.83
Outstanding warrants trans- ferred to outstanding liabil- ities.....				59,401,956.67		2,713,611.40
Surplus available for appro- priation.....	6,731,828.68	d 21,798,522.88	e 2,549,421.53	31,679,253.25	a 127.80	
Total.....	52,583,355.63	53,221,680.05	63,492,356.04	231,069,925.11	58,218,055.25	47,060,025.11
a Transfer. b Warrants issued. c Warrants paid. d Revenues. e Reversions. f Other credits. g Appropriations. h Correction.						

Summary of provincial fiscal affairs for the year ended June 30, 1908.

	Provincial.	Municipal.	Insular.
CREDITS.			
Balances July 1, 1907.....	P1,500,620.22	P161,404.12	P551,996.69
Revenues:			
Registry of property.....	17,631.90		
Mining claims.....	3,106.00		
Interest on deposits.....	52,608.53		
Interest on loans to municipalities.....	210.00		
Prison labor.....	69,603.12		
Sales of industrial school products.....	1,363.51		
Rental of provincial property.....	2,686.99		
Fares, provincial launches.....	405.18		
Recorders' fees, Act No. 1766.....	65.81		
Demand draft premiums, Act No. 1636.....	12.72		
Justice of peace fees, Act No. 1396.....	1,154.45		
Sheriff fees.....	37.52		
Miscellaneous.....	1,474.65	56,961.50	
Cart tax.....	31,750.51	32,388.24	
Land tax, 1905 and previous years.....	173,437.13	211,604.81	
Land tax, 1908.....	188,915.70	237,839.49	
Industrial tax.....	154.06	154.01	
Cedulas, Act No. 83.....	1,366.50	1,391.50	
Franchise taxes.....	557.90	2,222.32	
Internal revenue—			
Cedulas.....	2,224,880.00	914,072.90	
Weights and measures.....	10,207.79	10,198.14	
Licenses.....		311,515.02	
Opium certificates.....		54,965.04	
Percentage from insular treasury.....	1,075,368.82	1,130,408.83	
Rental of ferries.....	61.00		
Road tax, Act No. 1396.....	48,254.00		
Road tolls.....	3,650.90		
Voluntary contributions.....	24,240.84		
Moro Province—			
Miscellaneous taxes.....	143,594.48		
Customs collections.....	363,341.91		
Receipts, customs arrastre plant.....	3,274.69		
Fisheries.....		165,729.28	
Cattle registration.....	21.00	235,183.84	
Rents, profits, and privileges.....		687,966.04	
Licenses.....		385,394.72	
Fines.....		45,469.23	
Sales of stray animals.....		24,916.00	
Cemetery.....		14,259.00	
Justice of peace collections.....		145,948.69	
Property tax.....		23,014.22	
Escheats, Act No. 190.....		6,692.38	
Water tax (Moro).....		525.25	
Frontage tax (Moro).....		1,518.03	
Latrine (Moro).....		2,718.80	
Street cleaning (Moro).....		528.75	
Edible birds' nests, Act No. 1769.....	120.00		
Total revenues.....	4,442,557.61	4,703,587.03	
Miscellaneous receipts:			
Appropriation in lieu of suspended land tax, Act No. 1696.....	231,100.70	332,652.74	
Refundment of court fees, Act No. 1764.....	70,723.36		
Repayments of loans by municipalities.....	19,774.52		
Reimbursement province of Bulacan, Act No. 1660.....	2,354.45		
For restoration of public order, provinces of Cebu, Leyte, and Samar, Act No. 1660.....	16,500.00		
Sale of provincial jail building—			
Capiz.....	10,000.00		
Mindoro.....	6,250.00		
Sale of "Tribunal de Mestizos," Rizal.....	1,000.00		
Refundment of advances to customs officers (Moro) fiscal year 1907.....	565.54		
Voluntary contributions of municipalities.....	11,731.20		
Aid to municipality of Cotabato.....		500.00	
Insular funds for disbursements by provincial treasurers for provincial public works and general purposes.....			1,097,768.85
Insular loans to—			
Provinces.....			190,666.67
Municipalities.....			64,000.00
Transfers from provincial funds to—			
Municipal funds.....		8,631.27	
Insular funds.....			100,320.79
Transfers from municipal funds to provincial funds.....	673.54		

Summary of provincial fiscal affairs for the year ended June 30, 1908—Continued.

	Provincial.	Municipal.	Insular.
CREDITS—continued.			
Miscellaneous receipts—Continued.			
Transfers from insular funds to—			
Provincial funds.....	P5,038.50		
Municipal funds.....		P575.85	
Total miscellaneous receipts.....	375,691.81	342,359.86	P1,456,756.31
Total.....	6,318,869.64	5,207,351.01	2,010,723.00
DEBITS.			
Expenditures:			
Salaries—			
Governor, office.....	241,089.40		41,523.45
Governor, jail guards.....	83,262.87		2,241.16
Treasurer, office.....	564,834.30		23,210.59
Treasurer, foremen, etc.....	30,376.91		6,379.43
Third member provincial board.....	20,137.00		
Fiscal's office.....	113,358.47		941.64
District health officer.....	59,404.59		248.97
District auditor's office.....	24,522.56		234.33
Miscellaneous.....	38,406.23		8,568.75
Officials and employees, Moro Province.....	279,321.53		262.17
Travel expense and per diems—			
Governor.....	18,671.06		1,799.02
Treasurer.....	13,283.46		1,413.20
Fiscal.....	4,191.20		225.30
Miscellaneous.....	81,292.65		8,117.17
Moro Province.....	15,233.70		
Sheriff fees.....	9,066.98		203.48
Court fees.....	25,726.14		320.00
Office supplies.....	68,750.94		4,917.45
Postage, mail and telegrams.....	47,081.24		1,473.91
Premiums, surety bonds.....	12,597.78		328.59
Rentals for buildings.....	47,103.11		507.00
Maintenance of prisoners.....	126,229.36		4,931.68
Permanent equipment.....	234,162.86		24,385.21
Purchase of land.....	8,284.56		7,974.46
Alterations, repairs, and maintenance of—			
Buildings.....	51,781.39		10,921.63
Bridges.....	45,914.45		9,675.96
Construction of—			
Buildings.....	103,022.99		419,803.90
Bridges.....	256,601.01		41,075.19
Construction and maintenance of roads.....	612,190.78		305,075.85
Miscellaneous.....	127,081.84		27,451.40
Payment to insular government—Expenses, customs service, fiscal year 1905, Moro Province.....	45,000.00		
Aid to municipality of Cotabato (Moro).....	500.00		
Ship subsidies (Moro).....	74,352.73		
Stock supplies (Moro).....	14,750.56		
San Ramon Farm (Moro).....	5,592.12		
Labor and material (Moro).....	49,594.87		1,571.09
Repair and construction of buildings (Moro).....	35,203.52		
Total expenditures.....	3,596,975.16		955,801.98
Miscellaneous charges:			
Loans to municipalities.....	15,820.00		
Losses, Act No. 1848.....	473.07		
Losses, section 41, Act No. 1402, and section 49, Act No. 1792.....	1,541.62	273.79	
By revenue—			
Voluntary contributions.....	176.25		
Miscellaneous.....	4.75		
Customs collections (Moro).....	549.90		
Sales of rice, congressional relief.....			742.96
Repayment of loans to insular government.....	9,040.56		5,959.44
Payments to municipalities—			
Municipal and township revenues.....		5,137,566.70	
Refund unexpended balances appropriation.....			14,157.95
Payments to municipalities—			
Friar lands estates, Act No. 1679.....			23,343.54
From salaries of municipal teachers' fund, Act No. 1406.....			7,100.00
Transfers to provincial funds from—			
Insular funds.....			5,038.50
Municipal funds.....		673.54	
Transfers to municipal funds from—			
Provincial funds.....	8,631.27		
Insular funds.....			575.85
Transfers to insular funds from provincial funds.....	100,320.79		
Total miscellaneous.....	136,558.21	5,138,514.03	56,918.24
Balance June 30, 1908.....	2,685,336.27	68,836.98	998,002.78
Total.....	6,318,869.64	5,207,351.01	2,010,723.00

Summary of municipal fiscal affairs for the year ended December 31, 1907.^a

[NOTE.—Under existing law the fiscal year of the municipalities ends December 31 of each year.]

Item.	General fund.	School fund.	Cemetery fund.
CREDITS.			
By balance January 1, 1907.....	P1,090,317.21	P805,555.74	P10,805.06
Revenues:			
Internal revenue—			
Refund from Insular treasury, Act No. 1189.....	628,864.33	340,376.60	
Cedulas, Act No. 1189.....	869,166.92		
Weights and measures, Act No. 1519.....	1,449.86		
Licenses, Act No. 1189.....	230,686.82		
Opium certificates, Acts Nos. 1461 and 1761.....	11,167.80		
Joint provincial and municipal—			
Cart.....	33,461.84		
Land, 1905 and previous years.....	113,604.84	133,347.57	
Municipal.....			
Fisheries.....	158,759.59		
Cattle registration.....	227,828.35		
Rents, profits, and privileges.....	674,121.11	134.33	
Licenses.....	387,780.07		
Fines.....	119,790.59		
Sales of strays.....	16,353.74		
Miscellaneous.....	14,893.07	25,338.88	
Cemetery.....			15,818.74
Justice peace collections.....	67,846.42		
Cedulas, Act No. 83.....	2,185.10		
Cedulas, Act No. 387.....	76.64		
Street cleaning (Moro).....	471.80		
Latrine (Moro).....	2,702.74		
Water tax (Moro).....	3.00		
Frontage (Moro).....	1,490.26		
Industrial tax.....	167.58		
Property tax.....	26,720.66		
Escheats, section 751, Act. No. 190.....		6,692.38	
Franchise tax—			
Act No. 1111.....	200.19		
Act No. 1112.....	1,528.81		
Act No. 1303.....	53.34		
Total.....	3,641,345.47	505,889.76	15,818.74
Miscellaneous receipts:			
Aid from Insular government, Act No. 1406.....		15,000.00	
Insular payment lieu land tax.....	330,244.00	370,522.63	
Loans from province, Acts Nos. 1517 and 1580.....	3,000.00	1,500.00	
Loans from province.....	14,500.00	13,720.00	200.00
Primary instruction friar lands estates, Act No. 1679.....		1,946.45	
Transfers from general fund.....		184,296.03	3,784.77
Aid from province for municipal police, Act No. 781.....	1,117.00		
School assistance fund, Act No. 797.....		11.04	
Allotment from township and settlement fund.....	1,000.00		
Total miscellaneous receipts.....	349,861.00	586,996.15	3,984.77
Total.....	5,081,523.68	1,898,441.65	30,608.57
DEBITS.			
To expenditures:			
Salaries of officials.....	863,933.49		
Salaries of employees.....	669,981.43	901,944.30	
Salaries and maintenance of police.....	1,005,684.90		
Furniture, office supplies, etc.....	244,578.05	26,061.81	
Rent.....	37,853.89		
Construction, repairs, and improvements.....	582,502.66	178,331.05	
Street lighting.....	78,357.93		
Miscellaneous.....	318,136.89	43,459.54	
Cemetery.....			4,845.80
Construction, repairs, and improvements, Act No. 1527.....	5,033.05		
Justice peace collections.....	58,944.69		
Total expenditures.....	3,866,038.18	1,149,796.70	4,845.80
Miscellaneous charges:			
Losses, section 41, Act No. 1402.....	2,731.59	203.01	
Repayment of loans to province.....	13,435.10	8,920.00	
Transfers to school and cemetery funds.....	188,080.80		
Revenue-old-stamp tax refund.....	40.83		
Payment to province, Act No. 1275.....	9,431.19	5,000.00	
Total miscellaneous.....	213,719.51	14,123.01	
Balance December 31, 1907.....	1,001,765.99	734,521.94	25,762.77
Total.....	5,081,523.68	1,898,441.65	30,608.57

^a Exclusive of the city of Manila, elsewhere reported.

DEFALCATIONS.

While there were a number of petty defalcations, only two of consequence occurred during this fiscal year. On July 20, 1907, Mr. T. C. Reiser, customs cashier, was found to be short in his accounts the sum of ₱18,658.36, the shortage covering the period from March, 1905, to July, 1907, necessitating the review of some 35,000 receipts and an equal number of payments, the very mass of figures presented to the court affording ground for an able defense by his counsel at the trial for embezzlement which ensued. He was found guilty and sentenced to eight years' imprisonment in Bilibid prison. From this sentence he appealed, but as the supreme court neared his case upon its docket, withdrew his appeal and entered Bilibid to serve his sentence. He was bonded with the American Surety Company, of New York, and the Fidelity and Deposit Company, of Baltimore, and the amount of his shortage was deposited with the insular treasurer promptly after verification of the result of the audit.

Charles J. Kosel, an employee of the bureau of lands, was found to be short upon examination the sum of ₱2,255.29. He was tried for embezzlement but acquitted by the court on the ground that while admitting the shortage the government failed to show that Kosel had taken the money. This defect in the law has been cured by Act No. 1740, which in such cases places the burden of proof upon the accused.

OFFICE ORGANIZATION.

After the passage of Act No. 1792, which authorized the pre-audit of expenditures system now in vogue in the insular government and city of Manila, the bureau was divided into the following divisions:

Division of revenue, Assistant Auditor A. J. Gibson, chief; Mr. W. A. Walsh, assistant chief.

Division of disbursements, Assistant Auditor C. H. French, chief; Mr. E. Cook, assistant chief.

Provincial division, Chief District Auditor W. A. Randall, chief; Mr. H. S. Alexander, assistant chief.

Accounting division, Mr. H. W. Gangnuss, chief; Mr. G. W. Brydges, assistant chief.

Inspection division, Mr. C. A. Smith, chief; Mr. B. Lipke, assistant chief.

At the time of writing, this scheme of organization has been in effect about a year with satisfactory results. The last treasury receipt of the year was certified on July 30, and the voucher record could have been closed upon the same date had it been possible to secure necessary information from the various bureaus and offices of the government. As this report, printed, is delivered to the governor-general nearly three months earlier than any previous auditor's report, no further apology for delay is submitted.

In closing this report I desire to express my appreciation of the arduous and painstaking work, in and out of prescribed office hours, that has been done by the office staff and their assistants. Routine work and seven-hour days would not have accomplished the work.

Respectfully submitted.

W. H. CLARKE, *Acting Auditor.*

THE SECRETARY OF WAR.

THE GOVERNOR-GENERAL OF THE PHILIPPINE ISLANDS.

THE MEMBERS OF THE PHILIPPINE LEGISLATURE.

PART II.

BUREAU OF AUDITS,
Manila, September 24, 1908.

SIRS: In compliance with the requirements of section 8 of the accounting act (No. 1402), I have the honor to submit the eighth annual report of the fiscal affairs of the government, as far as pertains to the provinces, and second, with relation to the municipalities of the islands, the jurisdiction of the auditor over the latter not having become effective until January 1, 1906. (Act No. 1482).

The municipal fiscal year is coterminous with the calendar year. The provincial fiscal year is coterminous with the insular fiscal year—June 30.

The report herewith rendered, therefore, shows the audit of the accounts of the municipalities for their fiscal year which terminated December 31, 1907, and of the provinces for such year which terminated June 30, 1908.

The audit of these accounts devolves upon the corps of district auditors under the immediate supervision of the chief district auditor. All field examinations of clerks of courts, registers of deeds, land agents, postmasters, constabulary supply officers and other insular accountable officers are also made by this corps.

The personnel of the corps, the districts to which assigned, and official stations at the close of the fiscal year were as follows:

Name.	Address.	Provinces.
<i>Chief district auditor.</i>		
W. A. Randall.....	Manila, P. I.	
<i>District auditors.</i>		
Frank W. Killen.....	Tuguegarao, Cagayan.....	Cagayan, Isabela, Nueva Vizcaya.
Charles F. Zeeck.....	Vigan, Ilocos Sur.....	Ilocos Norte, Ilocos Sur, Lepanto-Bontoc.
James C. Lewis.....	Lingayen, Pangasinan.....	La Union, Pangasinan, Tarlac, Benguet.
Charles F. Richmond.....	Malolos, Bulacan.....	Pampanga, Bulacan, Neuva Ecija.
R. K. Zercher.....	Santa Cruz, Laguna.....	La Laguna, Rizal, Cavite, Bataan (until March 31, 1908).
Charles M. Davis.....	Batangas, Batangas.....	Batangas, Tayabas.
L. B. Alexander.....	Nueva Caceres, Ambos Camarines.	Ambos Camarines.
George L. Coleman.....	Sorsogon, Sorsogon.....	Albay, Sorsogon.
L. W. Berry.....	Tacloban, Leyte.....	Samar, Leyte.
Thomas R. Lill.....	Cebu, Cebu.....	Cebu, Bohol, Oriental Negros (until May 31, 1908).
Emile G. Abry.....	Dumaguete, Oriental Negros.....	Oriental Negros (since June 1, 1908).
Irving B. Dexter.....	Iloilo, Iloilo.....	Iloilo, Occidental Negros.
H. D. Smith.....	Capiz, Capiz.....	Capiz, Antique.
Charles J. H. Naylor.....	Surigao, Surigao.....	Misamis, Surigao.
Gaston Schmutz.....	Zamboanga, Moro.....	Moro.
H. S. Alexander.....	Manila, P. I.....	On duty in the office of the chief district auditor.
<i>District auditors-at-large.</i>		
J. E. Bowen; J. K. Pickering.....		Zambales, Mindoro, Palawan, Bataan (since Apr. 1, 1908).

The district auditors-at-large audit the accounts of such provinces and their municipalities as are not permanently assigned to a district, take charge of districts during absences of district auditors regularly assigned thereto, and perform such other duties as are assigned from time to time by the chief district auditor.

The province of Oriental Negros became a district June 1, 1908, and the province of Bohol was added thereto July 1, 1908, the province of Cebu with the beginning of the provincial fiscal year 1909 constituting a district in itself.

THE PROVINCIAL GOVERNMENTS.

Explanation of provincial statements.—The statements which follow show in detail the financial condition and operations of each province and municipality during the fiscal year.

Funds which have come into the possession of the provinces are grouped under three main divisions, viz: (1) Balance July 1, 1907, (2) Revenues, and (3) Miscellaneous receipts, the totals of each division being separately shown.

Within the division "Revenues" there has only been included moneys which regularly accrue to the provinces and municipalities as revenue by general law. This division, therefore, does not include payments made to them by the insular government in the form of outright aid and loans nor on account of the appropriation made by the insular government in lieu of the suspended land tax.

Within the division "Miscellaneous receipts," moneys accruing from all sources other than revenues as defined in the preceding paragraph are shown.

Funds which have gone out of the possession of the provinces and the amount remaining on hand are also shown in three divisions, viz: (1) Expenditures, (2) Miscellaneous credits, and (3) Balance June 30, 1908.

Within the division "Expenditures" only expenditures for provincial purposes proper, are included.

Payments to municipalities of the proportion of revenues accruing to them, loans to municipalities and all other items which are not provincial expenditures, as defined in the preceding paragraph, are shown under "Miscellaneous credits."

This method of segregation presents in clear form and in a manner capable of immediate reference and comparison the vital statistical factors of a province's financial condition and resources.

The following condensed summary of provincial accounts as thus segregated is of interest:

Item.	Provincial.	Municipal.	Insular.
DEBIT.			
Balances on hand July 1, 1907.....	P1,500,620.22	P161,404.12	P551,966.69
Revenues.....	4,442,557.61	4,703,587.03	.....
Miscellaneous receipts:			
In lieu suspended land tax.....	231,100.70	332,652.74	.....
Other items.....	144,561.11	9,707.12	1,458,756.31
Total debit.....	6,318,869.64	5,207,351.01	2,010,723.00
CREDIT.			
Expenditures.....	3,596,975.16	.....	955,801.98
Miscellaneous credits:			
Payments to municipalities.....	.....	5,137,566.70	.....
Other items.....	136,558.21	947.33	56,918.24
Balances on hand June 30, 1908.....	2,585,336.27	68,836.98	998,002.78
Total credit.....	6,318,869.64	5,207,351.01	2,010,723.00

All revenues which accrue to the municipalities pass through the hands of the provincial treasurers. The total of the column "Municipal" in the division "Revenues" therefore represents all revenues which have accrued to the municipalities, and the items in the division "Miscellaneous receipts" the receipts from all sources other than revenue.

Funds which accrue to the municipalities are by law required to be paid to them by the provincial treasurer within thirty days of their receipt by him. Such payments are shown under the heading "Municipal" and opposite "Miscellaneous credits—payments to municipalities." These funds thus pass out of provincial accounts.

THE MUNICIPAL GOVERNMENTS.

Explanation of municipal statements.—The arrangement of the municipal accounts is the same as that of the provincial.

The following condensed summary of these accounts is given:

Item.	General.	School.	Cemetery.	Total.
DEBIT.				
Balances on hand January 1, 1907.....	₱1,090,317.21	₱805,556.24	₱10,805.06	₱1,906,678.51
Revenues.....	3,641,345.47	505,889.76	15,818.74	4,163,053.97
Miscellaneous receipts:				
In lieu suspended land tax.....	330,244.00	370,522.63		700,766.63
Transfers from general fund.....		184,296.03	3,784.77	188,080.80
Other items.....	19,617.00	82,177.49	200.00	51,994.49
Total debit.....	5,081,523.68	1,898,442.15	30,608.57	7,010,574.40
CREDIT.				
Expenditures.....	3,866,038.18	1,149,797.20	4,845.80	5,020,681.18
Miscellaneous credits:				
Transfers to school fund.....	184,296.03			184,296.03
Transfers to cemetery fund.....	3,784.77			3,784.77
Other items.....	25,638.71	14,123.01		39,761.72
Balances on hand December 31, 1907.....	1,001,765.99	734,521.94	25,782.77	1,762,050.70
Total credit.....	5,081,523.68	1,898,442.15	30,608.57	7,010,574.40

There were at the close of the municipal fiscal year 701 municipal and township organizations in the islands, the accounts for which are rendered by their respective treasurers to the provincial treasurer of the province in which located, by whom they are given an administrative review and then turned over to the district auditor for his audit. The municipal and township treasurers are also frequently inspected at their offices in the municipalities and townships. Owing to the great number of these inspections that it is necessary to make, district auditors are authorized to deputize their clerks and the deputies of the provincial treasurer to assist them in carrying out these duties.

PAYMENTS TO PROVINCES IN LIEU OF THE LAND TAX.

By Act No. 1579 the collection of the land tax was suspended for the calendar year 1907 throughout the same territory as during the previous year, such act providing that there should be appropriated by the insular government to the provinces and municipalities concerned, in lieu of the suspended tax, an amount equal to 50 per cent of the maximum tax collectible under the new assessment in process of consummation under the provisions of Act No. 1455. Pending the certification of such assessment there was appropriated for the first six months of the calendar year 1907, ₱666,927.63, such amount being one-half the sum received during the preceding six months under the provisions of Acts Nos. 1455 and 1475, and to apply as a credit on the amount eventually to be appropriated upon certification of the new assessment. This amount was withdrawn from the insular treasury and paid to the provinces during the fiscal year which ended June 30, 1907.

The amount determined to be payable to the provinces and municipalities as "an amount equal to 50 per cent of the maximum tax collectible under the new assessment" was ₱1,223,950.15.

The outcome has therefore been as follows:

50 per cent of maximum tax collectible under the new assessment....	₱1,223,950.15
Advance payment, Act No. 1579 (fiscal year 1907)	666,927.63
Amount payable under the provisions of Act No. 1686.....	557,022.52

The amount paid to the provinces and municipalities on this account, as herein-after shown in detail in the provincial statements, was ₱563,753.44, or an overpayment of ₱6,030.92. This overpayment was made to the province of Laguna, the anticipated payment for the first six months of the calendar year, as authorized by Act No. 1579, being greater by that amount than the payment due for the entire year, based upon the certificate of the executive secretary, under Act No. 1686. This amount will be returned to the Insular treasury during the fiscal year 1909.

PROVINCIAL EXPENDITURES.

FUNDS.

Under the general fund are shown expenditures for all purposes not specifically provided to be made from other funds.

Under the road and bridge fund are shown all expenditures for the construction and maintenance of roads, for the construction, alteration, repair, and maintenance of bridges, and construction material therefor.

Under the school fund are shown all expenditures for provincial school purposes borne by the province.

The funds herein shown under the heading "Insular" are included in Part I of auditor's annual report, pertaining to the fiscal affairs of the insular government. Their inclusion in the provincial statements is simply for administrative and statistical information, showing in greater detail the purposes to which these Insular funds disbursed through provincial agencies were applied. In arriving at a résumé of the fiscal affairs of all branches of the government they should be eliminated as already having appeared elsewhere.

CLASSIFICATIONS.

The following is given in explanation of the classification of provincial expenditures shown in this report.^a

Salaries.—Per diems allowed army officers as compensation are classed as "Salaries" and shown under the office to which the expense relates.

Governor—Office: Provincial governor and office personnel, including the recorder of the provincial board.

Governor—Jail guards: Including jailers, sergeants, corporals, and guards—salaries and clothing and subsistence allowances.

Treasurer—Office: Provincial treasurer and his office personnel, traveling deputies and deputies in the municipalities.

Treasurer—Foremen, etc.: General foremen, foremen, blacksmiths, carpenters, corral men, and other analogous positions the expense of which is not chargeable as labor in repair and construction work nor incident to the work of collection and disbursement of funds.

Third member provincial board: Per diems paid the third member of the provincial board as compensation.

Fiscal's office: Provincial fiscal and office force.

District health officer: Salary of district health officer and other officers and employees assigned to the health district by the director of health or authorized by the provincial board.

District auditor's office: Salary of district auditor's clerk (Act No. 1792, sec. 56). The district auditor is paid from insular funds.

Miscellaneous: Provincial personnel not exclusively used by any of the foregoing offices, such as janitors, messengers, etc., and not including salaries for labor properly chargeable to repair and construction work.

Travel expenses and per diems.—Not including per diems paid army officers and the third member of the provincial board as compensation.

The traveling expenses of employees of the provincial governor's office and of the offices of the provincial treasurer and provincial fiscal and of officials other than the governor, treasurer, and fiscal are shown under the subhead "Miscellaneous."

Sheriff fees.—Including all payments to sheriffs for fees and per diems, but not including payments in reimbursement of expenses for transporting prisoners or other reimbursements.

Court fees.—Court costs in criminal cases incurred prior to October 11, 1907, excepting sheriffs' fees. Act No. 1764, effective that date, provides that—

"The fees earned by the sheriff or other officer of the court, for the service of any process or orders of the court of first instance, except in Manila, shall be paid out of the treasury of the province in which the trial is held. The services of the clerk of the court on behalf of the government in criminal cases shall be rendered gratis; but this provision shall not be deemed to relieve a defendant who has been convicted from having such fees taxed against him as part of the costs."

^a A statement of defalcations by provincial and municipal employees during the fiscal year 1908 has been omitted and filed in the Bureau of Insular Affairs, War Department.

On and after October 11, 1907, therefore, expenditures under this classification cease.

Office supplies.—All expendable office material and that of a quasi-expendable nature, such as rubber stamps, inkstands, waste baskets, etc.

Postage—Mail and telegrams.—Official mail and telegrams are subject to the same rates for transmission as commercial business.

Premiums, surety bonds.—Premiums on surety bonds of officers or agents having custody of funds or property are paid in part by the branch of the government under which they serve, and in part by the persons bonded. Expenditures under this classification show the cost to the provinces of bonding their employees having custody of funds and property.

Rentals for buildings.—Rentals paid to individuals or other branches of the government for buildings or space therein.

Maintenance of prisoners.—Including subsistence, clothing, and medical attendance, but not the cost of guarding prisoners or maintenance of jail building.

Permanent equipment.—Furniture, safes, typewriters, machinery, tools, vehicles, draft animals, etc.

The original transportation of permanent equipment to its destination upon purchase is charged under this head. Its subsequent transportation is charged to the service necessitating it.

Purchase of land.—Land purchased in connection with roads and bridges is charged to the road and bridge fund, that purchased for schools to the school fund, and that for general purposes to the general fund.

Alterations, repairs, and maintenance of buildings and bridges; Construction of buildings and bridges—Construction and maintenance of roads.—Foremen, labor, construction material used, and cost of transportation of material.

Permanent equipment is not charged under this head, nor are the salaries of foremen, blacksmiths, carpenters, corral men, or others who form part of the regular provincial personnel.

Thus, if a building or road is constructed, there is not included under this head the cost of tools, machinery, vehicles, or draft animals purchased to prosecute the work. Such articles are charged to permanent equipment.

Miscellaneous.—Miscellaneous expenditures not capable of classification under other heads.

MUNICIPAL EXPENDITURES.

FUNDS.

Under the general fund are shown expenditures not specifically provided to be made from other funds.

Under the school fund are shown all expenditures for municipal school purposes borne by the municipality.

Under the cemetery fund are shown expenditures of moneys set aside under the provisions of act No. 1458, from the sale of lots and graves in municipal cemeteries, to be devoted exclusively to the maintenance and beautification of such cemeteries.

CLASSIFICATIONS.

A more comprehensive classification of municipal expenditures than that heretofore existing has not been made, nor is it yet thought desirable to do so. Great progress has been made in the honest disbursement of and systematic accounting for money disbursed by the municipal governments, but the methods employed should still retain the utmost simplicity.^a

NOTE.—Statements showing the revenues and expenditures of the following provinces for the fiscal year ended June 30, 1908, have been omitted from this report and are on file in the Bureau of Insular Affairs, War Department. From these statements the following consolidated tables of population, assessed valuation of property, and provincial receipts and expenditures were prepared in the Bureau of Insular Affairs.

PROVINCIAL STATEMENTS.

Agusan, Albay, subprovince of Catanduanes, Ambos Camarines, Antique, Bataan, Batangas, Benguet, Bohol, Bulacan, Cagayan, Capiz, subprovince of Romblon, Occidental Negros, Oriental Negros, subprovince of Siquijor, Palawan, Pampanga, Pangasinan, Rizal, Samar, Sorsogon, subprovince of Masbate, Surigao, Cavite, Cebu,

^a A statement of defalcations by provincial and municipal employees during the fiscal year 1908 has been omitted and is on file in the Bureau of Insular Affairs, War Department.

Ilocos Norte, Ilocos Sur, Iloilo, Isabela, La Laguna, La Union, Lepanto-Bontoc, Leyte, Mindoro, Misamis, Moro, Nueva Ecija, Nueva Vizcaya, Tarlac, Tayabas, subprovince of Marinduque, Zambales.

Population and assessed value of property, provincial governments, fiscal year 1908.

Province.	Inhabitants.		Assessed value of real estate.	
	Christian.	Non-Christ- tian.	Not exempt.	Exempt.
Agusan.....	19,056	37,287	P 429,400.00	P 119,950.00
Albay.....	200,024	892	18,335,150.00	1,218,830.00
Subprovince of Catanduanes.....	39,410		2,904,550.00	35,150.00
Ambos Camarines.....	233,472	5,933	10,715,410.00	1,301,000.00
Antique.....	131,245	2,921	1,796,670.00	155,090.00
Bataan.....	45,166	1,621	2,055,300.00	411,360.00
Batangas.....	257,715		8,259,710.00	1,826,050.00
Benguet.....	917	27,532		
Bohol.....	269,223		3,238,720.00	1,233,510.00
Bulacan.....	223,327	415	16,964,255.00	3,742,090.00
Cagayan.....	142,825	13,414	11,085,907.00	334,751.00
Capiz.....	225,062	5,629	4,037,485.00	781,332.00
Subprovince of Romblon.....	51,856		1,577,420.00	359,360.00
Cavite.....	134,779		6,115,360.00	368,710.00
Cebu.....	653,727		15,434,020.00	3,802,910.00
Ilocos Norte.....	176,785	2,210	5,652,980.00	462,530.00
Ilocos Sur.....	202,243	27,967	8,074,790.00	1,354,320.00
Iloilo.....	403,932	6,393	14,785,190.00	439,600.00
Isabela.....	68,793	7,638	4,712,170.00	412,580.00
La Laguna.....	148,606		10,319,970.00	1,645,480.00
La Union.....	124,548		5,811,250.00	713,910.00
Lepanto-Bontoc.....	14,211	75,187	253,890.00	137,730.00
Leyte.....	388,922		9,356,030.00	1,130,740.00
Mindoro.....	33,310	7,294		
Misamis.....	132,601		4,089,410.00	571,740.00
Moro.....	66,376	335,401		
Nueva Ecija.....	132,999	1,148	9,864,260.00	1,024,320.00
Nueva Vizcaya.....	16,028	46,515		
Negros Occidental.....	303,660	4,612	12,465,650.00	702,940.00
Negros Oriental.....	138,866	16,605	2,610,180.00	328,330.00
Subprovince of Siquiljor.....	46,023		279,630.00	141,090.00
Palawan.....	28,852	6,844		
Pampanga.....	222,656	1,098	14,282,330.00	2,988,540.00
Pangasinan.....	439,135	3,396	17,653,830.00	5,468,230.00
Rizal.....	148,502	2,421	10,418,970.00	4,237,900.00
Samar.....	265,549	688	7,346,910.00	2,549,420.00
Sorsogon.....	120,454	41	9,390,340.00	529,545.00
Subprovince of Masbate.....	43,675		1,855,350.00	164,252.00
Surigao.....	80,112		2,033,250.00	720,670.00
Tarlac.....	133,513	1,594	7,055,050.00	1,904,960.00
Tayabas.....	150,262	2,803	14,051,440.00	710,130.00
Subprovince of Marinduque.....	51,674		2,390,270.00	142,950.00
Zambales.....	56,762	3,168	2,067,890.00	296,310.00
Total.....	6,756,881	648,617	279,760,047.00	44,287,320.00

Provincial governments, receipts and disbursements, fiscal year 1908.

DEBITS.

Province.	Balance July 1, 1907.	Provincial.	Municipal.	Insular.	Total receipts.	Total debts.
Agusan.....		₱15,828.29	₱6,392.58	₱17,656.74	₱39,877.61	₱39,877.61
Albay.....	₱119,205.43	133,621.82	154,262.70	50,000.00	337,884.52	457,089.95
Subprovince of Ca- tanduanes.....	16,347.87	14,190.68	24,367.28		38,557.96	54,905.83
Ambos Camarines.....	49,397.03	135,015.18	156,285.38	1,450.00	292,750.56	342,147.59
Antique.....	12,864.06	63,827.46	57,639.81		121,467.37	134,331.33
Bataan.....	18,557.78	30,798.63	34,408.17	6,176.49	71,383.29	89,941.07
Batangas.....	88,743.98	170,453.72	219,479.78	37,600.00	427,533.50	516,277.48
Benguet.....	9,817.10	20,413.79	18,915.70	153,272.63	192,602.12	202,419.22
Bohol.....	61,199.95	134,717.89	133,884.78	600.00	299,102.67	330,302.62
Bulacan.....	23,715.30	134,038.45	225,746.57	21,772.65	381,557.67	405,272.97
Cagayan.....	63,752.52	108,049.62	117,950.45	20,443.80	246,443.87	310,196.39
Capiz.....	44,587.56	131,398.84	119,305.38	31,800.00	282,504.22	327,091.78
Subprovince of Rombon.....	11,320.94	21,744.84	35,273.58		57,018.12	68,339.06
Cavite.....	68,754.20	55,506.65	138,967.20	9,816.64	204,290.49	273,044.69
Cebu.....	187,799.55	333,726.09	385,062.10	96,727.65	816,114.84	1,003,914.59
Ilocos Norte.....	27,422.24	109,180.30	123,633.57	22,100.00	254,883.87	282,306.11
Ilocos Sur.....	59,127.50	143,684.22	156,206.06	32,535.00	332,425.28	391,552.78
Iloilo.....	54,783.15	216,767.72	283,400.27	53,900.00	564,067.99	618,861.14
Isabela.....	12,228.48	64,147.43	55,961.06	1,515.85	111,624.84	123,852.82
La Laguna.....	106,265.58	173,427.91	144,842.85	165,520.27	483,791.03	580,056.61
La Union.....	18,267.93	81,156.23	88,814.47	18,900.00	188,870.70	207,138.63
Lepanto Bontoc.....	22,533.29	46,116.13	20,951.10	53,400.00	120,467.22	143,000.52
Leyte.....	72,384.43	227,901.25	248,798.54	52,650.07	529,349.86	601,734.29
Mindoro.....	22,545.64	38,031.99	24,199.10	34,064.86	96,285.95	118,841.50
Misamis.....	46,109.69	85,129.16	105,116.70		190,245.86	236,355.55
Moro.....	110,091.96	646,198.41	150,037.77		796,236.18	906,328.14
Nueva Ecija.....	32,980.55	58,413.37	102,587.32	5,600.00	166,600.69	199,581.24
Nueva Viscaya.....	11,888.79	30,392.78	13,914.25	50,772.00	95,079.03	106,967.82
Negros Occidental.....	97,039.56	195,216.14	196,697.26	31,100.00	423,013.40	520,052.96
Negros Oriental.....	74,076.36	88,955.25	83,687.57		172,642.82	246,719.18
Subprovince of Si- quijor.....		16,506.12	13,467.08		29,973.20	29,973.20
Palawan.....	14,701.95	13,285.78	16,194.70	27,633.84	57,114.32	71,816.27
Pampanga.....	172,255.65	131,966.99	147,095.60	46,660.00	325,722.59	497,978.24
Pangasinan.....	54,966.36	292,822.33	367,765.58	129,700.00	790,287.91	845,254.27
Rizal.....	117,737.97	107,337.11	177,478.52	34,760.83	319,576.46	437,314.43
Samar.....	22,710.62	156,488.38	161,677.45	5,002.23	323,168.06	345,878.68
Sorsogon.....	15,711.06	81,375.22	93,882.86	2,000.00	177,258.08	192,969.14
Subprovince of Mas- bate.....	17,345.18	16,207.75	25,771.95		41,979.70	50,324.88
Surigao.....	32,783.00	46,190.35	49,298.37	5,600.00	100,988.72	133,771.72
Tarlac.....	26,367.89	66,370.06	117,242.37	69,487.68	253,100.01	279,467.90
Tayabas.....	167,763.73	127,480.12	148,130.58	37,416.39	313,027.09	480,790.82
Subprovince of Marinduque.....		20,944.49	37,518.31		58,462.80	58,462.80
Zambales.....	27,829.20	37,543.74	43,827.05	31,000.00	112,370.79	140,196.99
Total receipts.....		4,812,537.38	5,036,739.77	1,358,435.52	11,207,712.67	
Transfer of funds.....		5,712.04	9,207.12	100,320.79	115,239.95	115,239.95
Total debts.....	2,213,991.03	4,818,249.42	5,045,946.80	1,468,756.31	11,322,952.82	13,536,943.66

Provincial governments, receipts and disbursements, fiscal year 1908—Continued.

CREDITS.

Province.	Provincial.	Municipal.	Insular.	Total disbursements.	Balance June 30, 1908	Total credits.
Agusan.....	P3,918.51	P5,482.23	P5,842.99	P15,243.73	P36,502.32	P51,746.06
Albay.....	120,670.37	162,697.79	56,277.76	339,645.92	117,444.03	457,086.96
Subprovinces of Caudanues.....	5,557.23	27,984.11	.....	33,541.34	21,364.49	54,905.83
Ambos Camarines.....	102,930.81	157,735.06	209.00	260,674.87	81,272.72	342,147.59
Antique.....	29,194.59	58,929.70	92.99	88,117.28	46,114.05	134,331.33
Bataan.....	27,306.54	34,815.28	189.49	62,311.31	27,629.76	89,941.07
Batangas.....	95,199.39	221,235.97	10,598.12	327,033.48	189,244.00	516,277.48
Benguet.....	18,023.25	21,776.63	117,330.25	157,130.13	45,289.09	202,419.22
Bohol.....	56,113.87	134,596.15	900.19	191,610.21	138,692.41	330,302.62
Bulacan.....	114,314.47	229,475.29	19,400.68	363,190.44	42,082.53	405,272.97
Cagayan.....	68,545.63	120,346.00	38,007.77	226,899.40	80,796.99	307,696.39
Capiz.....	47,666.40	120,558.48	30,145.00	198,369.88	128,721.90	327,091.78
Subprovince of Romblon.....	8,092.71	35,652.74	.....	43,745.45	24,593.61	68,339.06
Cavite.....	52,460.74	164,408.35	9,816.64	226,685.73	46,358.96	273,044.69
Cebu.....	215,404.14	385,024.73	43,067.34	643,496.21	360,418.18	1,003,914.39
Ilocos Norte.....	58,257.42	123,442.08	12,279.83	193,979.33	88,326.78	282,306.11
Ilocos Sur.....	104,323.24	151,637.15	14,380.19	270,340.58	121,212.20	391,552.78
Iloilo.....	150,881.73	294,469.90	33,364.84	478,716.47	140,144.67	618,861.14
Isabela.....	25,449.82	52,830.11	3,503.62	81,783.55	41,596.27	123,382.82
La Laguna.....	183,425.52	149,780.47	189,643.71	522,849.70	67,206.91	590,056.61
La Union.....	55,420.00	91,993.32	12,604.60	160,017.92	47,120.71	207,138.63
Lepanto Bontoc.....	57,485.28	25,469.88	41,986.23	124,941.39	21,059.13	146,000.52
Leyte.....	117,253.77	250,275.10	.....	367,528.87	234,205.42	601,734.29
Mindoro.....	31,100.44	24,259.55	30,072.86	85,432.85	33,408.74	118,841.59
Misamis.....	52,151.57	113,304.66	639.98	166,096.21	65,204.71	231,300.92
Moro.....	613,449.20	147,690.77	3,360.11	764,500.08	141,828.06	906,328.14
Nueva Ecija.....	60,175.58	88,647.96	15,302.19	164,125.73	35,455.51	199,581.24
Nueva Vizcaya.....	31,178.37	16,654.39	26,243.71	73,076.47	32,991.35	106,967.82
Negros Occidental.....	159,817.75	210,619.70	30,532.05	400,969.50	119,083.46	520,052.96
Negros Oriental.....	69,939.80	85,048.04	4,406.23	159,394.07	80,903.09	240,297.76
Subprovinces of Siquijor.....	2,965.85	15,988.30	.....	18,954.15	17,440.47	36,394.62
Palawan.....	15,228.82	13,132.86	15,956.38	44,318.06	27,498.21	71,816.27
Pampanga.....	178,373.40	156,763.78	51,899.77	387,036.95	110,941.29	497,978.24
Pangasinan.....	255,454.75	373,571.02	627.51	629,033.28	215,600.99	845,254.27
Rizal.....	86,954.11	178,032.07	68,688.02	333,674.20	103,620.23	437,294.43
Samar.....	72,034.92	167,441.22	5,158.72	244,634.86	101,243.82	345,878.68
Sorsogon.....	44,290.55	100,278.30	8,901.72	153,470.57	39,498.57	192,969.14
Subprovinces of Masbate.....	9,043.76	25,344.26	.....	34,388.02	24,936.86	59,324.88
Surigao.....	23,956.22	51,105.68	9,672.80	84,734.70	42,223.21	126,957.91
Tarlac.....	40,771.93	117,586.00	20,857.34	179,215.27	100,252.63	279,467.90
Tayabas.....	127,919.77	151,623.07	68,275.87	347,818.71	130,931.57	478,750.28
Subprovinces of Marinduque.....	11,767.32	38,525.33	.....	50,292.65	10,210.69	60,503.34
Zambales.....	20,111.77	41,687.01	6,809.37	68,668.15	71,531.84	140,199.99
Total disbursements.....	3,624,581.31	5,137,840.49	1,007,105.87	9,769,527.67	.....	.....
Transfer of funds.....	108,952.06	673.54	5,614.35	115,239.95	.....	115,239.95
Total credits.....	3,733,533.37	5,138,514.03	1,012,720.22	9,884,767.62	3,652,176.03	13,536,943.65

Consolidation of provincial statements.

DEBITS.

	Provincial.	Municipal.	Insular.	Total.
Balance July 1, 1907.....	P1,500,620.22	P161,404.12	P551,966.69	P2,213,991.03
Revenues:				
Registry of property.....	17,631.90			17,631.90
Registry of mining claims.....	3,106.00			3,106.00
Interest on deposits.....	52,608.53			52,608.53
Interest on loans to municipalities.....	210.00			210.00
Prison labor.....	69,603.12			69,603.12
Sale of industrial school products.....	1,363.51			1,363.51
Rental of provincial property.....	2,686.99			2,686.99
Fares, provincial launches.....	405.18			405.18
Fees of recording secretaries, Act No. 1766.....	65.81			65.81
Premiums upon drafts, Act No. 1363.....	12.72			12.72
Justice of peace fees, Act No. 1396.....	1,154.45			1,154.45
Sheriff's fees.....	37.52			37.52
Miscellaneous.....	1,474.65	56,961.50		58,436.15
Cart tax.....	31,750.51	32,388.24		64,138.75
Land tax, 1905 and previous years.....	172,437.13	211,604.81		384,041.94
Land tax of 1908.....	188,915.70	237,839.49		426,755.19
Industrial tax.....	154.06	154.01		308.07
Cedulas, Act No. 83.....	1,366.50	1,391.50		2,758.00
Franchise tax.....	557.90	2,222.32		2,780.22
Internal revenue:				
Cedulas.....	2,224,880.00	914,072.90		3,138,952.90
Weights and measures.....	10,207.79	10,196.14		20,403.93
Licenses.....		311,515.02		311,515.02
Opium certificates.....		54,965.04		54,965.04
Percentage from insular treasury.....	1,075,368.82	1,130,409.83		2,205,778.65
Rental of ferries.....	61.00			61.00
Road tax, Act No. 1396.....	48,254.00			48,254.00
Tolls, toll roads.....	3,650.90			3,650.90
Voluntary contributions.....	24,240.84			24,240.84
Moro Province:				
Miscellaneous taxes.....	143,594.48			143,594.48
Customs collections.....	363,341.91			363,341.91
Receipts, customs arrastre.....	3,274.69			3,274.69
Fisheries.		165,729.28		165,729.28
Cattle registration.....	21.00	235,183.84		235,204.84
Rents, profits, and privileges.....		687,966.04		687,966.04
Licenses.....		385,394.72		385,394.72
Fines.....		45,469.23		45,469.23
Sale of stray animals.....		24,916.00		24,916.00
Cemetery.....		14,259.00		14,259.00
Justice of peace collections.....		145,948.69		145,948.69
Property tax.....		23,014.22		23,014.22
Escheats, Act No. 190.....		6,692.38		6,692.38
Water tax (Moro).....		525.25		525.25
Lineal frontage tax (Moro).....		1,518.03		1,518.03
Latrine (Moro).....		2,718.80		2,718.80
Street cleaning (Moro).....		528.75		528.75
Edible birds' nests, Act No. 1769.....	120.00			120.00
Total revenues.....	4,442,557.61	4,703,587.03		9,146,144.64
Miscellaneous receipts:				
Appropriation lieu suspended land tax, Act No. 1686.....	231,100.70	332,652.74		563,753.44
Refundment of court fees, Act No. 1764.....	70,723.36			70,723.36
Refundment of loans by municipalities.....	19,774.52			19,774.52
Refundment to the province of Bulacan, Act No. 1660.....	2,334.45			2,334.45
For restoration of public order, provinces of Cebu, Leyte, and Samar, Act No. 1660.....	16,500.00			16,500.00
Sale of provincial jail building, Capiz.....	10,000.00			10,000.00
Sale of provincial jail building, Mindoro.....	6,250.00			6,250.00
Sale of "Tribunal de Mestizos," Rizal.....	1,000.00			1,000.00
Refundment of advances to the customs official (Moro), fiscal year 1907.....	565.54			565.54
Voluntary contributions of municipalities. Aid to the municipality of Cotabato.....	11,731.20			11,731.20
Insular funds for disbursement by provincial treasurers for public works and general purposes of the provinces.....		500.00		500.00
Insular loans to the provinces.....			1,097,768.85	1,097,768.85
Insular loans to the municipalities.....			196,686.67	196,686.67
Transfer of provincial funds to—			64,000.00	64,000.00
Municipal funds.....		8,631.27		8,631.27
Insular funds.....			100,320.79	100,320.79
Transfer of municipal funds to provincial funds.....	673.54			673.54
Transfer of insular funds to—				
Provincial funds.....	5,038.50			5,038.50
Municipal funds.....		575.85		575.85
Total of miscellaneous receipts.....	375,691.81	342,359.86	1,458,756.31	2,176,807.98
Total debits.....	6,318,869.64	5,207,351.01	2,010,723.00	13,536,943.65

Consolidation of provincial statements—Continued.

CREDITS.

	Provincial.	Municipal.	Insular.	Total.
Expenditures:				
Salaries—				
Governor, office.....	P241,089.40		P41,533.45	P282,622.85
Governor, jail guards.....	83,262.87		2,341.16	85,604.03
Treasurer, office.....	564,834.30		23,210.59	588,044.89
Treasurer, foremen, etc.....	39,376.91		6,379.43	45,756.34
Third member provincial board.....	20,137.00			20,137.00
Fiscal's office.....	113,358.47		941.64	114,300.11
District health officer.....	59,404.59		348.97	59,753.56
Office of district auditor.....	24,522.56		334.33	24,756.89
Miscellaneous.....	38,406.23		8,588.75	46,994.98
Officials and employees, Moro Province.....	279,321.53		262.17	279,583.70
Traveling expenses and per diems—				
Governor.....	18,671.06		1,799.02	20,470.08
Treasurer.....	13,283.46		1,413.20	14,696.66
Fiscal.....	4,191.20		225.30	4,416.50
Miscellaneous.....	81,292.65		8,117.17	89,409.82
Moro Province.....	15,233.70			15,233.70
Sheriff's fees.....	9,066.98		203.48	9,270.46
Court fees.....	25,720.14		320.00	26,040.14
Office supplies.....	68,750.94		4,917.45	73,668.39
Postage, mail and telegrams.....	47,061.24		1,473.91	48,535.15
Premiums, surety bonds.....	12,597.78		328.59	12,926.37
Rentals for buildings.....	47,103.11		507.00	47,610.11
Maintenance of prisoners.....	126,229.36		4,931.68	131,161.04
Permanent equipment.....	234,162.86		24,385.21	258,548.07
Purchase of land.....	8,284.56		7,974.46	16,259.02
Alterations, repairs, and maintenance of buildings.....	51,781.39		10,921.63	62,703.02
Alterations, repairs, and maintenance of bridges.....	45,914.45		9,675.96	55,590.41
Construction of buildings.....	103,022.99		419,803.90	522,826.89
Construction of bridges.....	256,601.01		41,075.19	297,676.20
Construction and maintenance of roads.....	612,190.78		306,075.85	917,266.63
Miscellaneous.....	127,081.84		27,451.40	154,533.24
Payment to the insular government: Expenditures for customs service, fiscal year 1905, Moro Province.....	45,000.00			45,000.00
Aid to the municipality of Cotabato (Moro).....	500.00			500.00
Subsidies to ships (Moro).....	74,352.73			74,352.73
Supplies and deposits (Moro).....	14,750.56			14,750.56
"San Ramon farm" (Moro).....	5,592.12			5,592.12
Labor and material (Moro).....	49,594.87		1,571.09	51,165.96
Repair and construction of buildings (Moro).....	35,203.52			35,203.52
Total expenditures.....	3,596,975.16		955,801.96	4,552,777.14
Miscellaneous credits:				
Loans to municipalities.....	15,820.00			15,820.00
Losses, Act No. 1848.....	473.07			473.07
Losses, art. 41, Act No. 1402 and art. 40, Act No. 1792.....	1,541.62	P273.79		1,815.41
By revenue, voluntary contributions.....	176.25			176.25
By revenue, miscellaneous.....	4.75			4.75
By revenue, customs collections.....	549.90			549.90
By revenue, sale of rice, congressional relief.....			742.96	742.96
Refundment of loans to insular government.....	9,040.56		5,959.44	15,000.00
Payments to municipalities, municipal and township revenue.....		5,137,566.70		5,137,566.70
Refundment of unexpended balances from budgets.....			14,157.95	14,157.95
Payments to municipalities, Friars' lands, Act No. 1679.....			23,343.54	23,343.54
Payments to municipalities from municipal teachers' salary fund, Act No. 1406.....			7,100.00	7,100.00
Transfer to provincial funds from—				
Insular funds.....			5,038.50	5,038.50
Municipal funds.....		673.54		673.54
Transfer to municipal fund from—				
Provincial funds.....	8,631.27		575.85	8,631.27
Insular funds.....				575.85
Transfer to insular funds from provincial funds.....	100,320.79			100,320.79
Total miscellaneous credits.....	136,558.21	5,138,514.03	56,918.24	5,331,990.48
Balances June 30, 1908.....	2,585,336.27	68,836.98	998,002.78	3,652,176.03
Total credit.....	6,318,869.64	5,207,351.01	2,010,723.00	13,536,943.65

Consolidation of provincial statements by funds.

DEBITS.

	Provincial.	Municipal.	Insular.
Balances July 1, 1907:			
General fund.....	P1,004,672.62		
Road and bridge fund.....	389,323.61		
Non-Christian tribes fund.....	39,327.71		
Townships and rancherias fund.....	26,406.99		
Provincial special funds.....	40,887.29		
Municipal funds.....		P161,404.12	
Insular funds.....			P551,966.69
Revenues:			
General fund—			
Registry of property.....	17,631.90		
Registry of mining claims.....	3,106.00		
Interest on deposits.....	48,193.53		
Interest on municipal loan.....	210.00		
Prison labor.....	19,038.12		
Sales of industrial school products.....	748.29		
Rental of provincial property.....	2,686.99		
Fares, provincial launches.....	405.18		
Recorders' fees, Act No. 1766.....	65.81		
Demand-draft commissions, Act 1636.....	12.72		
Justice of peace fees, Act 1396.....	1,154.45		
Sheriff's fees.....	37.52		
Miscellaneous.....	1,324.86		
Cart tax.....	4,729.44		
Land tax, 1905 and previous years.....	112,343.76		
Land tax of 1908.....	127,899.97		
Industrial tax.....	154.06		
Cedulas, Act No. 83.....	1,364.50		
Franchise tax.....	557.90		
Internal revenue—			
Cedulas.....	937,381.00		
Weights and measures.....	10,207.79		
Percentage from insular treasury.....	834,035.16		
Moro Province, miscellaneous taxes.....	143,594.48		
Moro Province, customs taxes.....	363,341.91		
Road and bridge fund—			
Prison labor.....	50,565.00		
Interest on deposits.....	4,415.00		
Rental of ferry.....	61.00		
Road tax, Act No. 1396.....	48,254.00		
Miscellaneous.....	3.02		
Cart tax.....	27,021.07		
Land tax, 1905 and previous years.....	60,093.37		
Land tax of 1908.....	61,015.73		
Internal revenue, cedulas.....	1,296,538.00		
Percentage from insular treasury.....	178,557.36		
Non-Christian tribes fund—			
Cedulas, Act No. 83.....	2.00		
Cattle registration.....	21.00		
Internal revenue, cedulas.....	564.00		
Percentage from insular treasury.....	27,974.62		
Townships and rancherias fund—			
Edible birds' nests, Act No. 1769.....	120.00		
Internal revenue, cedulas.....	397.00		
Percentage from insular treasury.....	34,801.68		
School fund—			
Sales of industrial school products.....	615.22		
Miscellaneous.....	75.06		
Provincial special funds—			
Tolls, toll roads.....	3,650.90		
Miscellaneous.....	71.69		
Voluntary contributions.....	24,240.84		
Moro Province, customs arrastre.....	3,274.69		
Municipal funds—			
Cart tax.....		32,398.24	
Land tax, 1905 and previous years.....		211,604.81	
Land tax of 1908.....		237,839.49	
Cedulas, Act No. 83.....		1,391.50	
Industrial tax.....		154.01	
Franchise tax.....		2,222.82	
Fisheries.....		165,729.28	
Cattle registration.....		235,183.84	
Rents, profits, and privileges.....		687,906.04	
Licences.....		385,394.72	
Fines.....		45,495.23	
Sale of estrays.....		24,915.00	
Cemetery.....		14,259.00	
Justice of peace collection.....		145,948.69	
Property tax.....		23,014.22	
Escheats.....		6,692.38	

Consolidation of provincial statements by funds—Continued.

DEBITS—Continued.

	Provincial.	Municipal.	Insular.
Revenues—Continued:			
Municipal funds—Continued.			
Miscellaneous.....		P62,252.33	
Cedulas.....		914,072.90	
Weights and measures.....		10,198.14	
Licenses.....		311,515.02	
Opium certificates.....		54,965.04	
Percentage from insular treasury.....		1,130,409.83	
Total revenues.....	P4,442,557.61	4,703,587.03	
Miscellaneous receipts:			
General fund—			
Appropriation lieu suspended land tax, Act No. 1686.....	157,831.63		
Refundment of court fees, Act No. 1764.....	70,723.36		
Refundment: Bulacan Province, Act No. 1660.....	2,334.45		
For restoration of public order, provinces of Cebu, Leyte, and Samar, Act No. 1660.....	16,500.00		
Refundment of loans by municipalities.....	19,774.52		
Sale of jail building, Capiz.....	10,000.00		
Sale of jail building, Mindoro.....	6,250.00		
Sale of "Tribunal de Mesizos" building, Rizal.....	1,000.00		
Refundment of advances to customs officials (Moro), fiscal year 1907.....	325.24		
Transfer from road and bridge fund.....	5,000.00		
Transfer from provincial special funds.....	4,501.15		
Transfer from insular funds.....	4,693.38		
Road and bridge fund—			
Appropriation lieu suspended land tax, Act No. 1686.....	73,269.07		
Voluntary contribution, municipalities.....	200.00		
Transfer from general fund.....	183,059.71		
Transfers from townships and rancherias fund.....	33,067.93		
Transfers from insular funds.....	345.12		
School fund—			
Transfers from general fund.....	187,841.25		
Provincial special funds—			
Refundment of advances to customs officials (Moro), fiscal year 1907.....	240.30		
Voluntary contributions, municipalities.....	11,531.20		
Refundment of expenditures, office supplies.....	8.68		
Transfers from general fund.....	80,695.16		
Transfers from road and bridge fund.....	2,753.29		
Transfers from municipal funds.....	673.54		
Transfers from provincial special funds.....	53,897.95		
Townships and rancherias fund—			
Transfers from provincial special funds.....	1,225.61		
Transfer from province of Cagayan to Lepanto-Bontoc.....	2,500.00		
Transfer from province of Isabela to Lepanto-Bontoc.....	500.00		
Municipal funds—			
Appropriation lieu suspended land tax, Act No. 1686.....		332,652.74	
Aid to municipality of Cotabato.....		500.00	
Transfers from general fund.....		432.40	
Transfers from townships and rancherias fund.....		8,198.87	
Transfers from insular funds.....		575.85	
Insular funds—			
Insular funds for expenditures by provincial treasurers for public works and general purposes of the province.....			P1,097,768.85
Insular loans to provinces.....			196,666.67
Insular loans to municipalities.....			64,000.00
Transfers from general fund.....			68,816.00
Transfers from provincial special funds.....			3,378.54
Transfers from school fund.....			28,126.25
Total miscellaneous receipts.....	930,742.54	342,359.86	1,458,756.31
Total debits.....	6,873,920.37	5,207,351.01	2,010,723.00

Consolidation of provincial statements by funds—Continued.

CREDITS.

	Provincial	Municipal.	Insular.
Expenditures:			
General fund—			
Salaries—			
Governor, office.....	P240,946.40		
Governor, jail guards.....	83,262.87		
Treasurer, office.....	564,591.78		
Treasurer, foremen, etc.....	38,896.91		
Third member of provincial board.....	20,113.00		
Office of fiscal.....	113,358.47		
District health officer.....	59,404.59		
District auditor's office.....	24,522.56		
Miscellaneous.....	28,810.06		
Officials and employees of Moro Province.....	218,147.21		
Traveling expenses and per diems—			
Governor.....	18,247.26		
Treasurer.....	13,283.46		
Fiscal.....	4,191.20		
Miscellaneous.....	81,107.47		
Moro Province.....	15,233.70		
Sheriff's fees.....	9,066.98		
Court fees.....	25,726.14		
Office supplies.....	68,355.86		
Postage, mail and telegrams.....	47,061.24		
Premiums surety bonds.....	12,546.38		
Rentals for buildings.....	24,706.84		
Maintenance of prisoners.....	126,186.16		
Permanent equipment.....	94,851.21		
Purchase of land.....	4,204.77		
Alterations, repairs, and maintenance of buildings.....	48,082.24		
Construction of buildings.....	85,667.62		
Miscellaneous.....	97,254.85		
Payment to insular government, expenditures of customs service, fiscal year 1906, Moro Province.....	45,000.00		
Aid to Municipality of Cotabato (Moro).....	500.00		
Subsidies to ships (Moro).....	74,041.80		
Supplies in storage (Moro).....	14,750.56		
San Ramon Farm (Moro).....	5,592.12		
Repairs and construction of buildings (Moro).....	33,228.08		
Road and bridge fund—			
Rentals of buildings.....	281.60		
Permanent equipment.....	127,850.82		
Purchase of land.....	211.11		
Alterations, repairs, and maintenance of bridges.....	45,914.45		
Construction of bridges.....	256,418.85		
Construction and maintenance of roads.....	610,029.43		
Miscellaneous.....	4,534.46		
Alterations, repairs, and maintenance of buildings.....	496.83		
Construction of buildings.....	479.00		
Labor and material (Moro).....	49,295.61		
School fund—			
Salaries—			
Miscellaneous.....	7,434.04		
Officials and employees of Moro Province.....	60,497.02		
Office supplies.....	358.88		
Rentals of buildings.....	22,014.67		
Permanent equipment.....	8,882.08		
Purchase of land.....	3,830.14		
Alterations, repairs, and maintenance of buildings.....	3,163.42		
Construction of buildings.....	4,485.26		
Miscellaneous.....	20,899.69		
Repairs and construction of buildings (Moro).....	1,544.81		
Non-Christian tribes' fund—			
Salaries—			
Governor, office.....	143.00		
Treasurer, office.....	2.52		
Miscellaneous.....	815.23		
Traveling expenses and per diems—			
Governor.....	423.80		
Miscellaneous.....	128.00		
Office supplies.....	44.88		
Permanent equipment.....	587.41		
Construction of bridges.....	169.16		
Construction and maintenance of roads.....	1,274.78		
Miscellaneous.....	676.87		
Townships and rancherias fund—			
Salaries, miscellaneous.....	1,224.90		
Maintenance of prisoners.....	61.20		
Permanent equipment.....	1,058.16		
Construction of buildings.....	986.25		
Miscellaneous.....	1,822.17		

Consolidation of provincial statements by funds—Continued.

CREDITS—Continued.

	Provincial.	Municipal.	Insular.
Expenditures—Continued.			
Provincial special funds—			
Salaries—			
Treasurer—Office.....	P240.00		
Treasurer—Foremen, etc.....	490.00		
Third member of provincial board.....	24.00		
Miscellaneous.....	122.00		
Officials and employees of Moro Province.....	677.30		
Traveling expenses and per diems, miscellaneous.....	57.18		
Premiums, surety bonds.....	51.40		
Permanent equipment.....	833.18		
Purchase of land.....	38.54		
Alterations, repairs, and maintenance of buildings.....	28.90		
Construction of buildings.....	11,404.86		
Construction of bridges.....	13.00		
Construction and maintenance of roads.....	886.57		
Miscellaneous.....	2,093.80		
Subsidies to ships (Moro).....	310.93		
Labor and material (Moro).....	299.26		
Repairs and construction of buildings (Moro).....	430.63		
Insular funds—			
Salaries—			
Governor, office.....			P41,523.45
Governor, jail guards.....			2,241.16
Treasurer, office.....			23,210.59
Treasurer, foremen, etc.....			6,379.43
Office of fiscal.....			941.64
District health officer.....			248.97
District auditor's office.....			234.33
Miscellaneous.....			8,588.75
Officials and employees of Moro Province.....			362.17
Traveling expenses and per diems—			
Governor.....			1,799.02
Treasurer.....			1,413.20
Fiscal.....			225.30
Miscellaneous.....			8,117.17
Sheriff's fees.....			203.48
Court fees.....			320.00
Office supplies.....			4,917.45
Postage, mail, and telegrams.....			1,473.91
Premiums surety bonds.....			328.59
Rentals of buildings.....			507.00
Maintenance of prisoners.....			4,931.68
Permanent equipment.....			24,385.21
Purchase of land.....			7,974.46
Alterations, repairs, and maintenance of buildings.....			10,921.63
Alterations, repairs, and maintenance of bridges.....			9,675.96
Construction of buildings.....			419,803.90
Construction of bridges.....			41,075.19
Construction and maintenance of roads.....			305,075.85
Miscellaneous.....			27,451.40
Labor and material (Moro).....			1,571.09
Total expenditures.....	3,596,983.84		955,801.98
Miscellaneous credits:			
General fund—			
Loans to municipalities.....	15,820.00		
Losses, Act No. 1848.....	473.07		
Losses, art. 41, Act No. 1402 and art. 40, Act No. 1792.....	1,541.62		
By revenue—			
Miscellaneous.....	4.75		
Customs collections (Moro).....	549.90		
Transfers to road and bridge fund.....	183,059.71		
Transfers to school fund.....	187,841.25		
Transfers to municipal funds.....	432.40		
Transfers to provincial special funds.....	80,695.16		
Transfers to insular funds.....	68,816.00		
Road and bridge fund—			
Refundment of loans to insular government.....	9,040.86		
Transfers to general fund.....	5,000.00		
Transfers to provincial special funds.....	2,753.29		
School fund, transfers to insular funds.....	28,126.25		
Non-Christian tribes' fund—			
Transfer to province of Lepanto-Bontoc from Cagayan.....	2,500.00		
Transfer to province of Lepanto-Bontoc from Isabela.....	500.00		
Townships and rancherias fund—			
Transfers to road and bridge fund.....	33,067.93		
Transfers to municipal and townships funds.....	8,198.87		

Consolidation of provincial statements by funds—Continued.

CREDITS—Continued.

	Provincial.	Municipal.	Insular.
Miscellaneous credits—Continued.			
Provincial special fund—			
By revenue, voluntary contributions.....	P176.25		
Transfers to general fund.....	4,501.15		
Transfers to provincial special funds.....	53,867.95		
Transfers to townships and rancherías fund.....	1,225.61		
Transfers to insular funds.....	3,378.54		
Municipal funds—			
Payments to municipalities and townships, municipal and townships revenues.....		P5,137,566.70	
Losses, art. 46, Act No. 1792.....		273.79	
Transfers to provincial special funds.....		673.54	
Insular funds—			
Refundment of loans to insular government.....			P5,969.44
Refundment of unexpended balances of appropriations.....			14,157.95
Payments to municipalities, Friars' lands, Act No. 1679.....			23,343.54
Payments to municipalities from "municipal teachers' salary fund, Act No. 1406".....			7,100.00
By revenue, sale of rice, congressional relief fund.....			742.95
Transfers to general fund.....			4,693.38
Transfers to road and bridge fund.....			345.12
Transfers to municipal funds.....			575.85
Total of miscellaneous credits.....	691,600.26	5,138,514.03	56,918.24
Balances, January 30, 1908:			
General fund.....	1,054,191.56		
Road and bridge fund.....	1,283,382.98		
School fund.....	27,295.29		
Non-Christian tribes' fund.....	60,623.68		
Townships and rancherías fund.....	19,733.80		
Provincial special funds.....	140,108.96		
Municipal funds.....		68,836.98	
Insular funds.....			998,002.78
Total credit.....	6,873,920.37	5,207,351.01	2,010,723.00

NOTE.—Statements showing the revenues and expenditures of the following municipalities for the fiscal year ended December 31, 1907, have been omitted from this report and are on file in the Bureau of Insular Affairs, War Department:

MUNICIPAL STATEMENTS.

Province of Agusan.—Butuan; Cabadbaran; Talacogon; consolidated statement, municipalities, Agusan.

Province of Albay.—Albay; Bacacay; Bagamanoc; Baras; Bato; Calolbon; Camalig; Caramoran; Daraga; Guinobatan; Jovellar; Legaspi; Libog; Libon; Ligao; Malilipot; Malinao; Manito; Oas; Pandan; Payo; Polangui; Rapu-Rapu; Tabaco; Tiwi; Viga; Virac; consolidated statement, municipalities, Albay.

Province of Ambos Camarines.—Baao; Bato; Buhi; Bula; Calabanga; Capalonga; Caramoran; Daet; Gainza; Goa; Indan; Iriga; Labo; Lagonoy; Libmanan; Lupi; Magarao; Mambulao; Milao; Minalabac; Nabua; Nueva Caceres; Pamplona; Paracale; Pasacao; Pili; Ragay; Sagnay; San Fernando; San Jose; San Vicente; Sipocot; Siruma; Tiguaon; Tinambac; consolidated statement, municipalities, Ambos Camarines.

Province of Antique.—Bugasong; Culasi; Dao; Laua-an; Pandan; Patnongon; San Jose; San Remigio; Sibalom; Tibiao; Valderrama; consolidated statement; municipalities, Antique.

Province of Bataan.—Abucay; Bagac; Balanga; Dinalupihan; Mariveles; Moron; Orani; Orion; consolidated statement, municipalities, Bataan.

Province of Batangas.—Balayan; Batangas; Bauan; Calaca; Cuenca; Ibaan; Lemery; Lipa; Lobos; Nasugbu; Rosario; San Jose; San Juan de Booboc; Santo Tomas; Taal; Talisay; Tanauan; consolidated statement, municipalities, Batangas.

Province of Benguet.—Adaoay; Atok; Baguio; Bagulin; Balakbak; Bokod; Buguias; Cabayan; Capangan; Daklan; Disdis; Itogon; Kayapa; Kibungan; Palina; Trinidad; Tublay; consolidated statement, townships, Benguet.

Province of Bohol.—Alburquerque; Anda; Antequera; Bacayon; Balilihan; Batuan; Bilar; Calape; Candijay; Carmen; Corella; Cortes; Daus; Dimiao; Duero; Garcia-Hernandez; Guindulman; Inabanga; Jagna; Jetafe; Loay; Loboc; Loon; Mabini; Mari-bojoc; Panglao; Sevilla; Sierra-Bullones; Tagbilaran; Talibon; Tubigon; Ubay; Valencia; consolidated statement, municipalities, Bohol.

Province of Bulacan.—Angat; Baliuag; Bocaue; Bulacan; Calumpit; Hagonoy; Malolos; Meycauayan; Paombong; Polo; Quingua; San Miguel; Santa Maria; consolidated statement, municipalities, Bulacan.

Province of Cagayan.—Abulug; Alcala; Amulung; Aparri; Baggao; Basco; Calayan; Camalaniugan; Claveria; Enrile; Gattaran; Iguig; Lal-lo; Mauanan; Pamplona; Peña Blanca; Piat; Sanchez-Mira; Santo Niño; Solana; Tuao; Tuguegarao; consolidated statement, municipalities, Cagayan.

Province of Capiz.—Badajoz; Buruanga; Cajidiocan; Calibo; Capiz; Dao; Dumalag; Dumarao; Ibajay; Iuisan; Jamindan; Libacao; Looc; Malinao; Mambusao; Nabas; New Washington; Odiongan; Panay; Panitan; Pilar; Pontevedra; Romblon; San Fernando; Sapián; Sigma; Taft; Tapas; consolidated statement, municipalities, Capiz.

Province of Cavite.—Alfonso; Bacoar; Carmona; Cavite; Corregidor; Imus; Indang; Kawit; Maragondon; Naic; Noveleta; San Francisco de Malabon; Silang; consolidated statement, municipalities, Cavite.

Province of Cebu.—Alegria; Aloguinsan; Argao; Asturias; Badian; Balamban; Bantayan; Barili; Bogo; Boljo-on; Borbon; Carcar; Carmen; Catmon; Cebu; Daan Bantayan; Dalaguete; Danao; Dumanjug; Ginatilan; Liloan; Malabuyoc; Mandaue; Medellin; Minglanilla; Moalbual; Naga; Opon; Oslob; Pilar; Pinamungajan; Samboan; San Fernando; San Francisco; San Remigio; Sibonga; Tabogon; Talisay; Toledo; Tuburan; Tudela; consolidated statement, municipalities, Cebu.

Province of Ilocos Norte.—Bacarra; Badoc; Bangui; Batac; Dingras; Laoag; Paoay; Pasquin; Piddig; San Miguel; consolidated statement, municipalities, Ilocos Norte.

Province of Ilocos Sur.—Bangued; Bucay; Cabugao; Candon; Danglas; Dolores; Lagangilan; Lagayan; Lagiden; La Paz; Lapog; Magsingal; Manabo; Narvaco; Peñarrubia; Pilar; San Quintin; Santa; Santa Cruz; Santa Lucia; Santa Maria; Santiago; Santo Domingo; Sinait; Vigan; Villaviciosa; consolidated statement, municipalities, Ilocos Sur.

Province of Iloilo.—Arevalo; Balasan; Banate; Barotac Nuevo; Buenavista; Cabatuan; Guimbal; Iloilo; Janiway; Leon; Miagao; Oton; Passi; Pototan; Santa Barbara; Sara; Tigbauan; consolidated statement, municipalities, Iloilo.

Province of Isabela.—Cabagan Nuevo; Cauayan; Echague; Gamu; Ilagan; Naguilian; Palanan; Santa Maria; Tagle; Tumauini; consolidated statement, municipalities, Isabela.

Province of La Laguna.—Biñan; Cabuyao; Calamba; Calauan; Lilio; Los Baños; Luisiana; Lumban; Magdalena; Majayjay; Mavitar; Nagcarlan; Paete; Pagsanjan; Pangil; Pila; San Pablo; San Pedro Tunasan; Santa Cruz; Santa Rosa; Siniloan; consolidated statement, municipalities, La Laguna.

Province of La Union.—Agoo; Aringay; Bacnotan; Balaoan; Bangar; Bauang; Luna; Naguilian; San Fernando; San Juan; Santo Tomas; Tubao; consolidated statement, municipalities, La Union.

Province of Lepanto-Bontoc.—Alilem; Ampusungan; Angaqui; Bacun; Bagnen; Banaao; Bauco; Besao; Bontoc; Cayan; Cervantes; Concepcion; Mancayan; Sabangan; Sagada; San Emilio; San Gabriel; Santol; Sigay; Supiden; Sugpon; Suyoy; Tagudin; consolidated statement, townships, Lepanto-Bontoc.

Province of Leyte.—Abuyog; Alangalang; Babatungan; Barugo; Bato; Baybay; Burauen; Cabalian; Carigara; Caybiran; Dagami; Dulag; Hilongos; Hindang; Hinunanga; Inopacan; Jaro; Kawayan; Leyte; Liloan; Maasin; Malitbog; Matalom; Merida; Naval; Ormoc; Palo; Palompon; Pintuyan; San Isidro; Sogod; Tacloban; Tanauan; Tolosa; consolidated statement, municipalities, Leyte.

Province of Mindoro.—Bulalacao; Calapan; Caluya; Lubang; Mamburao; Naujan; Pinamayanan; Sablayan; consolidated statement, townships, Mindoro.

Province of Misamis.—Balingasag; Cagayan; Jimenez; Langaran; Mambajao; Misamis; Oroquieta; Tagoloan; Talisayan; Ynita; consolidated statement, municipalities, Misamis.

Province of Moro.—Baganga; Caraga; Cateel; Cotabato; Dansalan; Dapitan; Davao; Iligan; Jolo; Malabang; Mati; Parang; Siasi; Zamboanga; consolidated statement, municipalities, Moro.

Province of Nueva Ecija.—Aliaga; Bongabon; Cabanatuan; Carranglan; Cuyapo; Gapan; Licab; Pantabangan; Peñaranda; San Antonio; San Isidro; San Jose; San Juan de Guimba; Talavera; consolidated statement, municipalities, Nueva Ecija.

Province of Nueva Vizcaya.—Bagabag; Bambang; Bayombong; Dupax; Imugan; Quiangan; Solano; consolidated statement, townships, Neuva Vizcaya.

Province of Occidental Negros.—Bacolod; Bago; Binalbagan; Cadiz; Cauayan; Escalante; Ilog; Isabela; Jimamaylan; Jinigaran; La Carlota; Manapla; Murcia; Pontevedra; Sagay; San Carlos; Saravia; Silay; Talisay; Valladolid; Victorias; consolidated statement, municipalities, Occidental Negros.

Province of Oriental Negros.—Ayuquitan; Bacon; Bais; Dauin; Dumaguete; Guijulungan; Larena; Lazi; Luzuriaga; Siaton; Siquijor; Tanjay; Tayasan; Tolong; consolidated statement, municipalities, Oriental Negros.

Province of Palawan.—Cagayancillo; Coron; Cuyo; Puerto Princesa; Taytay; consolidated statement, townships, Palawan.

Province of Pampanga.—Angeles; Apalit; Arayat; Bacolor; Candaba; Floridablanca; Guagua; Lubao; Mabalat; Macabebe; Magalan; Mexico; Porac; San Fernando; San Luis; Santa Rita; consolidated statement, municipalities, Pampanga.

Province of Pangasinan.—Agno; Aguilar; Alaminos; Alava; Alcala; Anda; Asingan; Balungao; Bani; Bautista; Bayambang; Binalonan; Binmaley; Bolinao; Calasiao; Dagupan; Infanta; Lingayen; Malasiqui; Manaoag; Mangaldan; Mangataren; Natividad; Pozorrubio; Rosales; Salasa; San Carlos; San Fabian; San Isidro; San Jacinto; San Manuel; San Nicolas; San Quintin; Santa Barbara; Santa Maria; Sual; Tayug; Umingan; Urbiztondo; Urdaneta; Villasis; consolidated statement, municipalities, Pangasinan.

Province of Rizal.—Antipolo; Binangonan; Caloccan; Malabon; Mariquina; Morong; Navotas; Parañaque; Pasay; Pasig; Pililla; San Felipe Neri; San Mateo; San Pedro Macati; Taguig; Tanay; Taytay; consolidated statement, municipalities, Rizal.

Province of Samar.—Allen; Almagro; Balangiga; Basey; Bobon; Borongan; Calbayog; Calbiga; Capul; Catarman; Catbalogan; Catubig; Dolores; Gandara; Guiuan; Laoang; Lavezares; Llorente; Oquendo; Oras; Palapag; Pambujan; San Antonio; San Julian; Santa Rita; Santo Niño; Sulat; Taft; Tarangnan; Villareal; Wright; Zumarraga; consolidated statement, municipalities, Samar.

Province of Sorsogon.—Aroroy; Bacon; Barcelona; Bulan; Bulusan; Casiguran; Castilla; Cataingan; Dimasalang; Donsol; Gubat; Irosin; Juban; Magallanes; Mandaon; Masbate; Matnog; Milagro; Mobo; Pilar; Placer; Prieto Diaz; Pulanduta; San Fernando; San Jacinto; San Pascual; Santa Magdalena; Sorsogon; Uson; consolidated statement, municipalities, Sorsogon.

Province of Surigao.—Cantilan; Dapa; Dinagat; Gigaquit; Hinatuan; Lianga; Placer; Surigao; Tandag; consolidated statement, municipalities, Surigao.

Province of Tarlac.—Bamban; Camiling; Capas; Concepcion; La Paz; Moncada; Paniqui; Pura; Tarlac; Victoria; consolidated statement, municipalities, Tarlac.

Province of Tayabas.—Alabat; Atimonan; Baler; Boac; Calauag; Casiguran; Cataauan; Gasan; Guinayangan; Gumaca; Infanta; Lopez; Lucban; Lucena; Mauban; Mulanay; Pagbilao; Pitogo; Polillo; Sampaloc; Santa Cruz; Sariaya; Tayabas; Tiaon; Torrijos; consolidated statement, municipalities, Tayabas.

Province of Zambales.—Botolan; Iba; Masinloc; Olongapo; San Marcelino; San Narciso; Santa Cruz; Subic; consolidated statement, municipalities, Zambales.

Consolidation of all municipal statements.—

Consolidation of municipal statements.

DEBITS.

	General fund.	School fund.	Cemetery fund.
Balance January 1, 1907.....	P1,090,317.21	P805,556.24	P10,805.06
Revenues:			
Internal revenue—			
Refund from insular treasurer.....	628,864.33	340,376.60	
Cedulas, Act No. 1189.....	869,166.92		
Weights and measures.....	1,449.86		
Licenses, Act No. 1189.....	280,686.82		
Opium certificates.....	11,157.80		
Joint provincial and municipal—			
Cart.....	33,461.84		
Land, 1905, and previous years.....	113,604.84	133,347.57	
Municipal—			
Fisheries.....	158,759.59		
Cattle registration.....	227,828.35		
Rents, profits, and privileges.....	674,121.11	134.33	
Licenses.....	387,700.07		
Fines.....	119,790.59		

Consolidation of municipal statements—Continued.

DEBITS—Continued.

	General fund.	School fund.	Cemetery fund.
Revenues—Continued.			
Municipal—Continued.			
Sales of estrays.....	P16,353.74		
Miscellaneous.....	14,893.07	P25,338.88	
Cemetery.....			P15,818.74
Justice of peace collections.....	67,846.42		
Cedulas, Act No. 83.....	2,261.74		
Street cleaning (Moro).....	471.80		
Latrine tax (Moro).....	2,702.74		
Water tax (Moro).....	3.00		
Frontage tax (Moro).....	1,490.28		
Industrial tax.....	167.58		
Property tax.....	26,720.66		
Revision of state property, art. 751, Act No. 190.....		6,692.38	
Franchise tax, Act No. 1111.....	200.19		
Franchise tax, Act No. 1112.....	1,528.81		
Franchise tax, Act No. 1303.....	53.34		
Total revenues.....	3,641,345.47	505,889.76	15,818.74
Miscellaneous receipts:			
Aid from insular government, Act No. 1406.....		15,000.00	
Payment from insular treasury in lieu of land tax.....	330,244.00	370,522.63	
Provincial loans.....	17,500.00	15,220.00	200.00
Primary instruction, friars' land, Act No. 1679.....		1,946.45	
Transfer from general fund.....		184,296.03	3,784.77
Aid to municipal police from the Province, Act No. 781.....	1,117.00		
School relief fund, Act No. 797.....		11.04	
Allotment, township and settlement fund.....	1,000.00		
Total miscellaneous receipts.....	349,861.00	856,996.15	3,984.77
Total debit.....	5,081,523.68	1,898,442.15	30,808.57

CREDITS.

	General fund.	School fund.	Cemetery fund.
Expenditures:			
Salaries of officials.....	P863,933.49		
Salaries of employees.....	669,981.43	P901,944.30	
Salaries and maintenance of police.....	1,006,684.90		
Furniture and office supply, etc.....	244,578.65	26,061.81	
Rentals for buildings.....	37,853.89		
Construction, repairs, and improvements.....	582,502.66	178,331.55	
Street lighting.....	78,387.93		
Miscellaneous.....	318,136.89	43,459.54	
Cemetery.....			P4,845.80
Construction, repairs, and improvements, Act No. 1527.....	5,033.65		
Justice of peace collections.....	58,944.69		
Total expenditures.....	3,866,038.18	1,149,797.20	4,845.80
Miscellaneous credits:			
Losses, sec. 41, Act No. 1402.....	2,731.59	203.01	
Return of loans to the province.....	13,435.10	8,920.00	
Transfers to school fund.....	184,296.03		
Transfers to cemetery funds.....	3,784.77		
By revenue: Old stamp tax, refund.....	40.83		
Payment to the province, Act No. 1275.....	9,431.19	5,000.00	
Total miscellaneous credits.....	213,719.51	14,123.01	
Balance, December 31, 1908.....	1,001,765.99	734,521.94	25,762.77
Total credit.....	5,081,523.68	1,898,442.15	30,808.57

LOANS TO PROVINCES.

Loans to provinces from insular and congressional relief funds.

Provinces.	Balance due insular government July 1, 1907.	Loans made during year.	Loans paid during year.	Balance due insular government June 30, 1908.
FROM INSULAR FUNDS.				
Albay.....	P85,000.00	P40,000.00		P125,000.00
Ambos Camarines.....	50,000.00			50,000.00
Antique.....	22,500.00			22,500.00
Bataan.....	12,000.00			12,000.00
Batangas.....	49,664.47			49,664.47
Bulacan.....		15,000.00	P15,000.00	
Capiz.....	55,000.00			55,000.00
Cavite.....	43,461.53			43,461.53
Cebu.....	77,500.00			77,500.00
Iloilo.....	50,000.00			50,000.00
La Laguna.....	60,000.00	70,000.00		130,000.00
La Union.....	37,000.00			37,000.00
Mindoro.....	5,000.00			5,000.00
Nueva Ecija.....	21,000.00	5,000.00		26,000.00
Occidental Negros.....	16,000.00			16,000.00
Oriental Negros.....	16,000.00			16,000.00
Pangasinan.....	5,000.00	25,000.00		30,000.00
Rizal.....	75,000.00			75,000.00
Samar.....	44,230.77			44,230.77
Sorsogon.....	40,000.00			40,000.00
Tarlac.....		41,666.67		41,666.67
Tayabas.....	70,085.00			70,085.00
Zambales.....	10,000.00			10,000.00
Total.....	844,441.77	196,666.67	15,000.00	1,026,108.44
FROM CONGRESSIONAL RELIEF FUNDS.				
Albay.....	65,000.00			65,000.00
Bulacan.....	10,000.00			10,000.00
Cavite.....	25,000.00			25,000.00
Iloos Sur.....	19,333.33			19,333.33
Capiz (Romblon).....	6,000.00			6,000.00
Total.....	125,333.33			125,333.33

Under the provisions of various acts, as shown in the auditor's annual report for the previous fiscal year, loans to the provinces of Bataan, Batangas, Bulacan, Capiz, Cebu, Iloilo, La Union, Nueva Ecija, and Sorsogon were canceled, in whole or in part, upon condition that they expend certain amounts upon designated public works. These acts were repealed by Act No. 1815, which provided that all unpaid balances of loans or parts of loans made to any of the provincial governments prior to October 15, 1907, should be canceled upon condition that they set aside for expenditure upon public works, to be approved by the governor-general, an amount equal to the total of their indebtedness for such loans.

Under these laws the provinces affected thereby have expended and set aside for expenditure amounts as follows:

ALBAY.

Appropriated under the provisions of Act No. 1815, to be available—

July 1, 1909.....	P15,000	July 1, 1913.....	P15,000	July 1, 1917.....	P15,000
July 1, 1910.....	15,000	July 1, 1914.....	15,000	July 1, 1918.....	15,000
July 1, 1911.....	15,000	July 1, 1915.....	15,000		
July 1, 1912.....	15,000	July 1, 1916.....	15,000	Total.....	150,000

AMBOS CAMARINES.

Appropriated under the provisions of Act No. 1815, to be available—

June 30, 1908.....	P23,000.00
June 30, 1910.....	3,000.00
June 30, 1911.....	3,000.00
June 30, 1912.....	3,000.00
June 30, 1913.....	3,000.00
June 30, 1914.....	3,000.00
June 30, 1915.....	3,000.00
June 30, 1916.....	3,000.00
June 30, 1917.....	3,000.00
May 28, 1918.....	3,000.00

Total..... 50,000.00

ANTIQUE.

Appropriated under the provisions of Act No. 1815, to be available—

June 1, 1908.....	P3,000.00
July 1, 1908.....	4,000.00
July 1, 1909.....	4,000.00
July 1, 1910.....	4,000.00
July 1, 1911.....	4,000.00
July 1, 1912.....	3,500.00

Total..... 22,500.00

BATAAN.

Expended under the provisions of Act No. 1601.....	
Appropriated under the provisions of Act No. 1815, to be available—	
June 15, 1908.....	₱10,000.00
June 15, 1909.....	1,000.00
June 15, 1910.....	1,000.00
Total.....	12,000.00

BATANGAS.

Expended under the provisions of Act No. 1622.....	
Appropriated under the provisions of Act No. 1815, to be available—	
December 31, 1908.....	₱ 300.00
June 30, 1909.....	49,364.47
Total.....	49,664.47

BULACAN.

Expended under the provisions of Act No. 1679.....	
Appropriated under the provisions of Act No. 1815, to be available—	
October 1, 1908.....	10,000.00
Total.....	10,000.00

CAPIZ.

(Including subprovince of Romblon.)

Expended under the provisions of Act No. 1622.....	25,000.00
Appropriated under the provisions of Act No. 1815, to be available—	
June 30, 1908.....	1,000.00
June 30, 1909.....	9,000.00
June 30, 1910.....	9,000.00
June 30, 1911.....	9,000.00
June 30, 1912.....	8,000.00
Total.....	61,000.00

CAVITE.

Appropriated under the provisions of Act No. 1815, to be available—	
July 1, 1908.....	6,846.18
July 1, 1909.....	6,846.15
July 1, 1910.....	6,846.15
July 1, 1911.....	6,846.15
July 1, 1912.....	6,846.15
July 1, 1913.....	6,846.15
July 1, 1914.....	6,846.15
July 1, 1915.....	6,846.15
July 1, 1916.....	6,846.15
July 1, 1917.....	6,846.15
Total.....	68,461.53

CEBU.

Appropriated under the provisions of Act No. 1815, to be available June 26, 1908.....	48,752.50
Of the amount loaned by the Insular government to the Province of Cebu, ₱28,747.50 was reloaned by the province to its various municipalities. These municipalities have expended or set aside for expenditure amounts as follows:	
Expended under the provisions of Act No. 1580.....	8,153.12
Appropriated under the provisions of Act No. 1815, to be available at various dates prior to July 1, 1913.....	20,594.38
Total.....	77,500.00

• Appropriated by municipality of Tanauan, to which the amount had been reloaned.

ILOCOS SUR.

Appropriated under the provisions of Act No. 1815, to be available—	
July 10, 1908.....	₱2,000.00
July 10, 1909.....	2,000.00
July 10, 1910.....	2,000.00
July 10, 1911.....	2,000.00
July 10, 1912.....	2,000.00
July 10, 1913.....	2,000.00
July 10, 1914.....	2,000.00
July 10, 1915.....	2,000.00
July 10, 1916.....	2,000.00
July 10, 1917.....	1,333.33
Total.....	19,333.33

ILOILO.

Expended under the provisions of Act No. 1622.....	4,533.63
Appropriated under the provisions of Act No. 1815, to be available—	
December 31, 1908.....	12,500.00
December 31, 1909.....	10,000.00
December 31, 1910.....	10,000.00
December 31, 1911.....	10,000.00
December 31, 1912.....	2,966.37
Total.....	50,000.00

LAGUNA.

Appropriated under the provisions of Act No. 1815, to be available—	
September 1, 1913.....	10,000.00
September 1, 1914.....	10,000.00
September 1, 1915.....	10,000.00
September 1, 1916.....	10,000.00
September 1, 1917.....	10,000.00
September 1, 1918.....	10,000.00
Total.....	60,000.00

LA UNION.

Expended under the provisions of Act No. 1603.....	14,428.58
Appropriated under the provisions of Act No. 1815, to be available—	
March 28, 1909.....	7,571.42
March 28, 1910.....	5,000.00
March 28, 1911.....	5,000.00
March 28, 1912.....	5,000.00
Total.....	37,000.00

MINDORO.

Appropriated under the provisions of Act No. 1815, to be available—	
June 1, 1908.....	2,500.00
January 1, 1909.....	2,500.00
Total.....	5,000.00

NUEVA ECLJA.

Expended under the provisions of Act No. 1603.....	2,464.40
Appropriated under the provisions of Act No. 1815, to be available—	
June 30, 1909.....	2,535.00
June 30, 1910.....	2,000.00
June 30, 1911.....	2,000.00
June 30, 1912.....	2,000.00
June 30, 1913.....	2,000.00
June 30, 1914.....	2,000.00
June 30, 1915.....	2,000.00
June 30, 1916.....	2,000.00
June 30, 1917.....	2,000.00
Total.....	21,000.00

OCCIDENTAL NEGROS.

Appropriated under the provisions of Act No. 1815, to be available—	
May 31, 1909.....	4,000.00
May 31, 1910.....	4,000.00
May 31, 1911.....	4,000.00
May 31, 1912.....	4,000.00
Total.....	16,000.00

ORIENTAL NEGROS.

Appropriated under the provisions of Act No. 1815, to be available—	
May 30, 1908.....	10,000.00
December 31, 1908.....	6,000.00
Total.....	16,000.00

PANGASINAN.

Appropriated under the provisions of Act No. 1815, to be available—	
June 30, 1908.....	5,000.00
Total.....	5,000.00

RIZAL.

Appropriated under the provisions of Act No. 1815, to be available—	
1908.....	7,500.00
1909.....	7,500.00
1910.....	7,500.00
1911.....	7,500.00
1912.....	7,500.00
1913.....	7,500.00
1914.....	7,500.00
1915.....	7,500.00
1916.....	7,500.00
1917.....	7,500.00
Total.....	75,000.00

SAMAR.

Appropriated under the provisions of Act No. 1815, to be available—	
June 1, 1908.....	4,423.07
June 1, 1909.....	4,423.07
June 1, 1910.....	4,423.07
June 1, 1911.....	4,423.08
June 1, 1912.....	4,423.08
June 1, 1913.....	4,423.08
June 1, 1914.....	4,423.08
June 1, 1915.....	4,423.08
June 1, 1916.....	4,423.08
June 1, 1917.....	4,423.08
Total.....	44,230.77

SORSOOGON.

Expended under the provisions of Act No. 1803.....	
	7,949.70
Appropriated under the provisions of Act No. 1815, to be available—	
May 28, 1908.....	3,205.03
May 28, 1910.....	3,205.03

SORSOOGON—continued.

Appropriated under the provisions of Act No. 1815, to be available—	
May 28, 1911.....	3,205.03
May 28, 1912.....	3,205.03
May 28, 1913.....	3,205.03
May 28, 1914.....	3,205.03
May 28, 1915.....	3,205.03
May 28, 1916.....	3,205.03
May 28, 1917.....	3,205.03
May 28, 1918.....	3,205.03
Total.....	40,000.00

TARLAC.

Appropriated under the provisions of Act No. 1815, to be available—	
December 20, 1908.....	5,666.67
December 20, 1909.....	4,000.00
December 20, 1910.....	4,000.00
December 20, 1911.....	4,000.00
December 20, 1912.....	4,000.00
December 20, 1913.....	4,000.00
December 20, 1914.....	4,000.00
December 20, 1915.....	4,000.00
December 20, 1916.....	4,000.00
December 20, 1917.....	4,000.00
Total.....	41,666.67

TAYABAS.

Appropriated under the provisions of Act No. 1815, to be available—	
1908.....	6,808.50
1909.....	6,808.50
January 1, 1910.....	6,808.50
1910.....	6,808.50
January 1, 1911.....	6,808.50
1911.....	6,808.50
January 1, 1912.....	6,808.50
1912.....	6,808.50
January 1, 1913.....	6,808.50
1913.....	6,808.50
1914.....	6,808.50
1915.....	6,808.50
1916.....	6,808.50
1917.....	6,808.50
Total.....	70,085.00

ZAMBALES.

Appropriated under the provisions of Act No. 1815, to be available—	
July 1, 1908.....	1,000.00
July 1, 1909.....	1,000.00
July 1, 1910.....	1,000.00
July 1, 1911.....	1,000.00
July 1, 1912.....	1,200.00
July 1, 1913.....	1,200.00
July 1, 1914.....	1,200.00
July 1, 1915.....	1,200.00
July 1, 1916.....	1,200.00
Total.....	10,000.00

Upon fully setting aside the amounts above shown, by the respective provinces, for expenditure upon approved public works, the indebtedness to the insular government for loans received prior to October 15, 1907, will have been canceled.

* Appropriated by municipality of Sariaya, to which the amount had been reloaned.

LOANS TO MUNICIPALITIES.

Loans to municipalities from insular funds.

Municipality.	Province.	Balance due insular government July 1, 1907.	Loans made during year.	Loans paid during year.	Balance due insular government June 30, 1908.
Pagsanjan.....	Laguna.....		P10,000.00		P10,000.00
Mexico.....	Pampanga.....		2,000.00		2,000.00
Macabebe.....	do.....		3,000.00		3,000.00
San Fernando.....	do.....		6,000.00		6,000.00
Malabon.....	Rizal.....		25,000.00		25,000.00
Tarlac.....	Tarlac.....		3,000.00		3,000.00
Dagupan.....	Pangasinan.....		15,000.00		15,000.00

The amounts thus loaned to the municipalities are disbursed by the provincial treasurer, acting as a disbursing officer for the municipality. Such amounts, and the disbursement thereof, therefore appear in the provincial statements, but under a special heading, as, for instance, the "Malabon-loan fund" in the statement for the province of Rizal.

The respective provinces concerned guarantee the repayment of these loans to the insular government.

Loans to municipalities from provincial funds.

Municipality.	Province.	Balance due province January 1, 1907.	Loans made during year.	Loans paid during year.	Balance due province December 31, 1907.
Libon.....	Albay.....	P1,350.00			P1,350.00
Maillipot.....	do.....	2,000.00			2,000.00
Oas.....	do.....	700.00			700.00
Polangui.....	do.....	1,000.00			1,000.00
Culasi.....	Antique.....	200.00		P200.00	
Dao.....	do.....	250.00		250.00	
Orion.....	Bataan.....	1,324.00		1,324.00	
Balayay.....	Batangas.....	100.00		100.00	
Bauan.....	do.....	400.00		200.00	200.00
San Juan de Booboo.....	do.....	450.00		450.00	
Tanauan.....	do.....	814.47		514.47	300.00
Batnan.....	Bohol.....	325.00		325.00	
Bilar.....	do.....	300.00		300.00	
Carmen.....	do.....	120.00		120.00	
Dimiao.....	do.....	1,375.00		1,375.00	
Talibon.....	do.....	550.00		550.00	
Ubay.....	Bohol.....	375.00		375.00	
Jamindan.....	Capiz.....	110.62		110.62	
Alegria.....	Cebu.....	750.00			750.00
Aloguinsan.....	do.....	750.00			750.00
Argao.....	do.....	1,138.25			1,138.25
Asturias.....	do.....	750.00	P1,000.00		1,750.00
Badlan.....	do.....	750.00			750.00
Balamban.....	do.....	750.00			750.00
Bantayan.....	do.....	750.00			750.00
Barili.....	do.....	750.00			750.00
Bogo.....	do.....	750.00			750.00
Boljoon.....	do.....	1,000.00			1,000.00
Borbon.....	do.....	250.00			250.00
Carcar.....	do.....	1,750.00			1,750.00
Carmen.....	do.....	750.00			750.00
Catmon.....	do.....	250.00	1,000.00		1,250.00
Cebu.....	do.....	1,000.00			1,000.00
Daan-Bantayan.....	do.....	750.00			750.00
Dalaguete.....	do.....	550.00			550.00
Danao.....	do.....	750.00			750.00
Dumanjug.....	do.....	750.00	3,500.00		4,250.00
Ginatlan.....	do.....	1,000.00			1,000.00
Liloan.....	do.....	375.00			375.00
Malaboyoc.....	do.....	750.00			750.00
Medellin.....	do.....	750.00			750.00
Minglanilla.....	do.....	200.00	750.00		1,050.00
Moalboal.....	do.....	750.00			750.00
Naga.....	do.....	750.00			750.00
Opon.....	do.....	750.00	2,000.00		2,750.00

Balance made during

	Balance due prov- ince - Jan- uary 1, 1907.	Loans made dur- ing year.	Loans paid during year.	Balance due prov- ince December 31, 1907.
	P1,000.00			P1,000.00
	375.00			375.00
	750.00			750.00
	1,000.00			1,000.00
	750.00			750.00
	1,250.00			1,250.00
	750.00			750.00
	1,136.25			1,136.25
	750.00			750.00
	1,625.00			1,625.00
	1,000.00			1,000.00
	750.00			750.00
	5,000.00			5,000.00
	1,200.00			1,200.00
	4,800.00			4,800.00
	206.34			206.34
	274.43			274.43
Iloilo Sur	6,000.00			
do	800.00			
do	5,000.00			
do	750.00			
do	375.00			
do	1,000.00			
do	400.00			
do	5,400.00			
do	350.00			
do	3,000.00			
do	1,500.00			
do	500.00			
do	500.00			
do	200.00			
do	3,000.00			
do	500.00			
do	70.00			
do	3,000.00			
do	5,000.00			
do	2,000.00			
do	22,355.10			
Total	74,962.68	32,320.00	22,355.10	\$5,567.58

W. H. CLARKE,
Acting Auditor.

Respectfully submitted.

BERS TARY OF WAR.
..... OR-GENERAL OF THE PHILIPPINE ISLANDS.
..... OF THE PHILIPPINE LEGISLATURE.

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Municipality of Sariaya,

EXHIBIT NO. 4.

REPORT OF THE MUNICIPAL BOARD OF THE CITY OF MANILA.

MANILA, P. I., *September 21, 1908.*

SIR: The municipal board has the honor to submit herewith its annual report covering the fiscal year ended June 30, 1908.

Very respectfully,

FELIX M. ROXAS, *President,*
P. G. McDONNELL,
W. P. WYLIE,
J. F. CASE, *Acting Member,*
Members.

THE GOVERNOR-GENERAL OF THE PHILIPPINE ISLANDS,
Manila, P. I.

MANILA, P. I., *July 15, 1908.*

OFFICE OF THE SECRETARY.

There were no changes in the personnel of the board during the year and the committees of the board have remained the same as during the fiscal year 1907, as follows: ^a

The board held 290 regular and 15 special sessions, and acted upon 3,513 items of municipal business.

In addition to a mass of routine matter submitted for approval, such as requisitions on the bureau of supply and the public printer, applicants for licenses, permits for street parades, etc., some 6,838 communications were received and 7,906 formal letters were sent from this office, being a slight increase over last year of papers handled.

The board executed 8 new leases and renewed 17 old ones, entered into 9 contracts, and passed 8 new ordinances during the year, lists of which follow: ^a

Contracts.

Contractor.	For—	Amount.
City of Manila.....	Electrical inspection fees for military.....	As per ordinance.
Do.....	Removing night soil, etc., for military authorities.	P0.064 per day per
Manila Electric Railroad and Lighting Co.	Lighting Pluto dock.....	16.87 per month.
Frank L. Strong.....	Pumps and motors for sewer.....	107,212.20.
Dee C. Chuan.....	Sec. B, Sampaloc market.....	7,832.
Burke & Young.....	Dead animals in city.....	876 per month.
Atlantic, Gulf and Pacific Co.	Drive piles at Paco Bridge.....	2,800.
Do.....	To construct pump pits and erect pumping stations.	143,914.

On March 31, 1908, Mr. George A. Malcolm was employed to make a revision of all existing ordinances of the city of Manila. This work was about completed and a report submitted to the municipal board on June 30, 1908, at which

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

time the revision was enacted as ordinance No. 104, the same to become effective on August 12, 1908, at which time the personnel of the municipal board will change in accordance with the provisions of Act No. 1869, enacted by the Philippine Legislature June 18, 1908.

During the year just passed the board has found it necessary to purchase various small parcels of land for widening or straightening some of the streets of the city and for various other purposes. There has also been purchased a tract in Malate containing 100,000 square meters and destined for park purposes at such time as the needs of the city shall demand its use for that purpose.

Following is a list of all purchases and sales of property made by the city during the fiscal year 1908:^a

The contracts with San Juan de Dios and St. Paul's hospitals were continued in force during the year at a total cost to the city for care and treatment of its indigent sick and injured of ₱50,967.

Under the terms of these contracts the total number of patients charged to the account of the city must not exceed 50 patients per day in each of the two hospitals.^a

The total cost for the year was:

At San Juan de Dios Hospital.....	₱25, 620
At St. Paul's Hospital.....	25, 347

The juvenile offenders of the city—that is, those who have been convicted of minor offenses, but who are not sufficiently hardened in crime to be associated with professional criminals such as they would find at Billbid prison without receiving lasting and injurious impressions from such associations—are confined and cared for at the Hospicio de San José, the city having a contract with that institution whereby the hospicio receives from municipal funds the sum of ₱0.40 per day for each offender so admitted and cared for.

Below is given a statement showing the number of admissions and the cost to the city, by months.^a

On August 28, 1907, a contract was entered into with the Hospicio de San José for the care of all such insane persons as it might become necessary for the city to provide for. The cost to the city is at the rate of ₱0.35 per day for each patient.

Following is a statement showing the number of patients sent to the Hospicio de San José, together with the cost to the city, by months:^a

During the year two elections have been held in this city. One on July 30, 1907, for a delegate to the Philippine Assembly from each of the two assembly districts of the city; and one on March 31, 1908, to fill a vacancy for delegate to the Philippine Assembly from the First Assembly District.

Of a total of 3,420 voters registered in the first district, 3,039 votes were cast for the various candidates, and of 4,482 voters registered in the second district 4,167 cast their ballots for one or another of the candidates for election from that district.

Owing to the refusal of the Assembly to seat the delegate-elect from the first district a special election was ordered for delegate from the said district.

For this special election but one day was allowed for the registration of such additional voters as cared to present themselves for that purpose.

The total cost of the two elections was: For the election of July 30, 1907, ₱5,716.11, and for the special election of March 31, 1908, ₱1,458.91, or a total of ₱7,175.02.

One result of these two elections has been to show that the city is divided into too many election precincts and that before the next general election the number should be greatly reduced, thus effecting a considerable saving in the cost of elections. The total registration for the last election was but 4,278 in the first and 4,515 in the second district; whereas had it approached the maximum allowed for the number of precincts provided (48), more than 9,000 voters would have been registered in the first and 10,000 in the second district. From the foregoing it can be seen that by a judicious rearrangement the number of precincts in the first district may be reduced to 15 and in the second to 20 or less, thereby effecting a saving of almost one-third the total cost of each election.

The population of the city of Manila is 223,542, and the percentage of the population voting was but 3.2 per cent.

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

Following is a statement showing the number of voters registered and the number voting at the last election, in each precinct:^a

The collections of this office for certified copies of records, the only source of revenue, were ₱45.50.

DISBURSING OFFICE, CITY OF MANILA.

FISCAL OPERATIONS OF THE CITY OF MANILA.

For the past two years the municipal board of Manila has been endeavoring to readjust the expenditures of the various departments of the city government so that they might come within the city's income which was greatly reduced by the repeal of the industrial tax law and the old stamp-tax laws. It has been the duty of the Board to accomplish this reduction in expenditures without impairing the efficiency of any branch of the service or prejudice to public interests.

The necessity for the strictest economy in the expenditure of appropriations allotted to the city has been diligently and continually impressed on the minds of all heads of departments, and the result at the close of the fiscal year 1908 has been very gratifying, as evidenced by the present satisfactory condition of the city's finances. (See Schedule "A.")

Including the contribution of the insular government for the year, the city has collected a total of ₱4,355,248.35 and its income has exceeded its expenditures by ₱647,335.59.

During the past year the city has purchased new equipment costing ₱84,053.60; expended from public improvement funds ₱33,915.09 for real estate and real-estate betterments and ₱81,502.97 for land for the purpose of straightening and widening streets. It has placed in reserve ₱116,220 toward the redemption of sewer and waterworks construction bonds; paid ₱242,475 in interest on sewer and waterworks bonds; paid ₱100,000 (the amount due) on Luneta extension from the insular government; has wiped out the deficit of ₱454,378.28 standing against it at the beginning of the year and has a small cash balance in the treasury exclusive of reserve of ₱343,832.25 expendable only for permanent public improvements and the proceeds of bond issues. The city also has on hand supplies to the amount of ₱21,241.49 purchased during the year and not required. This does not include surplus stores valued approximately at ₱95,000 and purchased in previous fiscal years. These will be taken up as soon as inventoried and brought into the accounts for the fiscal year 1909.

For the purpose of this report the expense disbursements have been classified under the heads of administration, maintenance, operation and prior fiscal years, and the special accounts, sewer and waterworks construction, sewer and waterworks sinking fund, and Luneta extension loan have been stated separately.^b

Statement of assets and liabilities.

ASSETS.

Real estate (Schedule "C")	₱6, 802, 234. 43	
Real estate (school site)	11, 213. 46	
		₱6, 813, 447. 89
Permanent improvements:		
Equipment as per statement (Schedule "D")	1, 419, 605. 52	
Construction new streets	49, 309. 60	
		1, 468, 915. 12
Cost sewer and waterworks (to date)		4, 951, 314. 28

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

^b The following have been omitted and filed in the Bureau of Insular Affairs, War Department:

Schedule B, statement of income by departments, city of Manila; Schedules E to L, statements showing cost of administration in each department of the city government; also expenditures made for material, improvements, constructions, etc.

Current assets:

Accounts receivable (deferred payments on sales of city lands)-----	₱53,635.58	
Capital stock of Blanco Espanol-Filipino (94 shares at par value)-----	23,500.00	
Investments, insurance fund-----	9,400.00	
		₱86,535.58

Cash:

Sewer and waterworks construction bond fund-----	1,467,464.54	
Sewer and waterworks construction sinking fund-----	200,099.04	
Balance of loan (Luneta extension account)-----	40,970.89	
Balance current appropriations-----	289,036.34	
Cash in city-revenue account-----	14,425.02	
		2,011,995.83
		<u>15,332,208.70</u>

LIABILITIES.

Total issue sewer and waterworks construction bonds-----	₱6,000,000.00	
Premiums received on sale of sewer and waterworks construction bonds-----	425,260.70	
Balance due insular government on Luneta extension loan-----	250,000.00	
Sewer and waterworks construction sinking fund-----	200,099.04	
Surplus of assets over liabilities, being the inventory of the capital property of the city or principal account-----	8,456,848.96	
		15,332,208.70

SCHEDULE A.—Receipts and expenditures for the fiscal year 1908.

EXPENDITURES.

Administration (municipal board, disbursing office, advisory board, public charities)-----	₱205,491.00
Law department-----	106,642.25
Fire department-----	300,228.19
Police department-----	746,988.94
Department of city schools-----	261,816.43
Engineering and public works-----	687,691.09
Sanitation and transportation-----	870,323.63
Assessments and collections-----	45,380.00
Fixed charges:	
Annual payment to sinking fund for sewer and waterworks construction bonds for fiscal year 1908-----	116,220.00
Interest on sewer and waterworks construction bonds-----	240,000.00
Exchange charges on transfer of interest on sewer and waterworks construction bonds-----	2,475.00
Luneta extension loan:	
Payments of first and second installments-----	100,000.00
Investment of city of Manila:	
Insurance fund—	
94 shares of Banco-Español capital stock-----	9,400.00
Capital expenditures:	
Permanent public improvements-----	110,960.19
Miscellaneous:	
Reimbursement to the province of Rizal, for construction of bridges across the Mariquina-----	1,500.00
	<u>3,805,116.72</u>

RECEIPTS.

Revenues from taxation:

Real estate tax.....	₱1,282,007.45
Internal revenue.....	169,904.40
Franchise tax.....	51,388.39
Road and bridge cedula tax, Act No. 1695.....	52,234.00
Road and bridge cedula tax dividend.....	13,213.03
Reversion to general revenue accounts of the appropriation for tax refunds.....	4,009.19

Sales of city land.....	24,161.24
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Miscellaneous receipts:

Rent of city lands.....	20,758.20
Rent of telephone poles.....	1,699.88
Escheats.....	2,034.68
Interest on bank deposits, sewer and waterworks funds.....	137,667.22
Miscellaneous.....	6,219.43

Receipts from operation:

Municipal board.....	45.70
Assessments and collections.....	10,478.65
Law department.....	91,447.68
Police department.....	226,076.03
Fire department.....	6,770.05
Engineering and public works.....	300,063.72
Sanitation and transportation.....	806,048.77

Insular government's contribution of 30 per cent of appropriation for fiscal year 1908, ₱4,154,082.01.....	1,246,224.60
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Total receipts.....	4,452,452.31
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Total expenditures.....	3,805,116.72
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Excess receipts over expenditures.....	647,335.59
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(SCHEDULE B.—Omitted.)

SCHEDULE C.—Inventory of real estate owned by the city of Manila June 30, 1908, summarized by districts.

Location.	Value.	Location.	Value.
District:		District:	
Intramuros.....	₱1,364,173.00	Tondo.....	₱340,804.00
Binondo.....	361,578.00	Undistributed tracts acquired during fiscal year 1908.....	12,457.43
Ermita.....	1,485,008.00	Reclaimed tract of land known as "Luneta Extension" having a superficial area of 247,000 square meters; estimated value.....	1,235,000.00
Malate.....	224,426.00	Total.....	6,802,224.43
Paco.....	208,269.00		
Pandacan.....	7,443.00		
Quiapo.....	100,033.00		
Sampaloc.....	156,368.00		
Santa Ana.....	536.00		
Santa Cruz.....	425,146.00		
San Miguel.....	12,569.00		
San Nicolás.....	869,424.00		

SCHEDULE D.—Inventory of nonexpendable property (equipment) owned by the city of Manila, June 30, 1908, listed by departments.

Municipal board.....	₱12,316.18
Disbursing office.....	4,898.57
Law department:	
City attorney.....	₱13,804.38
Court of first instance.....	10,381.66
Sheriff's office.....	1,796.51
Municipal court.....	2,502.96
Justice of peace.....	236.54
Prosecuting attorney.....	7,887.87
	36,609.92

Fire department	₱332, 038. 68
Police department.....	80, 024. 63
Department of city schools.....	53, 329. 48
Engineering and public works.....	303, 298. 87
Sanitation and transportation	597, 091. 19
Total.....	1, 419, 605. 52

(SCHEDULES E TO L.—Omitted.)

SCHEDULE M.—*Fixed charge expenditures.*

Interest:

Interest on sewer and waterworks bonds paid during fiscal year 1908..... ₱240, 000

Exchange premiums on cost of transfer of interest payments from Manila to New York..... 2, 475

Sinking fund:

Annual payment to sinking fund for the redemption of sewer and waterworks bonds..... 116, 220

Luneta extension loan:

Payments during the fiscal year 1908 of the first and second installments on loan from the insular government of ₱350,000, subject to provisions of Act No. 1360..... 100, 000

458, 695

SCHEDULE N.—*Special accounts.*

The accounts of the department of sewer and waterworks construction, the sewer and waterworks sinking fund, and the Luneta extension loan are stated separately in this report, as they do not come under the head of the regular current expense appropriations, and the provisions in Act No. 183, requiring the insular government to contribute 30 per cent of appropriations for the city, of Manila, do not affect these funds.

For the purpose of furnishing the city of Manila with an adequate water supply and an ample sewerage system, the insular government incurred on behalf of the city of Manila a bonded debt of ₱6,000,000. The bonds issued are known as "thirty-year 4 per cents," and the first issue of ₱2,000,000 was sold June 1, 1905, netting a premium of ₱191,250. The second issue, sold on January 2, 1907, and amounting to ₱4,000,000, brought a premium of ₱234,010.70.

Sewer and waterworks account.

By proceeds sale of bonds, June 1, 1905.....	₱2, 000, 000. 00
By premium on sale of June 1, 1905.....	191, 250. 00
By proceeds of sale of bonds, January 2, 1907.....	4, 000, 000. 00
By premium on sale of January 2, 1907.....	234, 010. 70
	6, 425, 260. 70

To expenditures for construction:

Fiscal year—

1905.....	₱5, 689. 04
1906.....	595, 689. 04
1907.....	2, 114, 978. 33
1908.....	2, 235, 157. 83

To balance in treasury..... 1, 467, 464. 54

To cash in hands of R. C. Baldwin, city disbursing officer..... 6, 281. 92

6, 425, 260. 70

NOTE.—In addition to this balance there are \$1,000,000 (United States currency) of gold bonds authorized to be sold under the provisions of Act No. 1323, on January 1, 1908. The intended issue has been postponed owing to the low market.

Sewer and waterworks sinking-fund account.

First installment, paid December 8, 1905.....	₱38,740.00
Second installment, paid December 10, 1906.....	38,740.00
Interest earned to June 30, 1907.....	3,117.66
Third installment, paid January 2, 1908.....	116,220.00
Interest earned to June 30, 1908.....	3,281.38
To balance forwarded to fiscal year 1909.....	200,099.04

The insular government loaned to the city of Manila, under the provisions of Act No. 1360, the sum of ₱350,000, repayable in 7 annual payments to commence with the fiscal year 1907. This fund has been partially expended in reclaiming from the ocean a section lying off the Luneta in the district of Ermita, and the land so made, approximately 247,000 square meters, is now known as the "Luneta extension."

During the fiscal year 1908, the installments for the fiscal years 1907 and 1908 on the return of this loan have been made, leaving a balance to be repaid of ₱250,000.

Luneta extension loan account.

By loan from insular government Act No. 1360.....	₱350,000
To expenditures:	
Fiscal year—	
1906.....	₱260,020.08
1907.....	49,009.03
1908.....	0.00
Balance in treasury.....	40,970.89
	350,000

SCHEDULE O.—Appropriation account.

Balance June 30, 1907.....	₱183,546.77
To fiscal year 1908 appropriations:	
Municipal board.....	206,647.70
Law department.....	118,917.68
Fire department.....	306,020.05
Police department.....	770,576.03
Department of city schools.....	285,500.00
Engineering and public works.....	728,241.72
Sanitation and transportation.....	867,643.77
Assessments and collections.....	49,718.65
Reimbursement, Rizal Province.....	1,500.00
City of Manila, insurance fund.....	10,000.00
Fixed charges.....	465,361.67
Public works and permanent improvements.....	343,954.74
	4,337,628.78
By disbursements, fiscal year 1908:	
Municipal board.....	₱205,491.00
Law department.....	106,642.25
Fire department.....	300,228.19
Police department.....	746,988.94
Department of city schools.....	261,816.43
Engineering and public works.....	687,691.09
Sanitation and transportation.....	870,323.63
Assessments and collections.....	45,380.00
Insurance fund.....	9,400.00
Reimbursement, Rizal Province.....	1,500.00
Fixed charges.....	458,695.00
Public works and permanent improvements.....	110,960.19
By reversion of unexpended balance to June 30, 1908.....	243,475.72
Balances available for expenditure:	
In the insular treasury.....	₱280,229.87
In hands of disbursing officer.....	8,806.47
	289,036.34
	4,337,628.78

SCHEDULE P.—*General revenue account.*

To balance due insular government June 30, 1907.....	₱454, 378. 28
To 70 per cent of appropriation, fiscal year 1908.....	2, 907, 857. 41
Balance due city of Manila:	
In the hands of collecting officers.....	₱28, 316. 79
Account with treasury overdrawn.....	13, 891. 77
Balance.....	14, 425. 02
	<hr/> 3, 376, 660. 71
By balances in hands of collecting officers June 30, 1908.....	₱47, 468. 22
By revenues from taxation:	
Real-estate tax.....	1, 282, 007. 45
Internal revenue.....	169, 904. 40
Franchise tax.....	51, 388. 39
Road and bridge cedula tax, Act No. 1695.....	52, 234. 00
Cedula tax, Act No. 1695, dividend.....	13, 213. 03
By receipts from operation:	
Municipal board.....	45. 70
Law department.....	91, 447. 68
Fire department.....	6, 770. 05
Police department.....	226, 076. 03
Assessments and collections.....	10, 478. 65
Engineering and public works.....	300, 063. 72
Sanitation and transportation.....	806, 048. 77
Bridges, esteros, parks, and streets fund.....	46, 619. 32
Miscellaneous.....	102, 462. 30
By 70 per cent reversions to June 30, 1908.....	170, 433. 00
	<hr/> 3, 376, 660. 71

DEPARTMENT OF ENGINEERING AND PUBLIC WORKS.

This department is charged with the construction and maintenance of streets and bridges; the maintenance and distribution of the water supply; the maintenance of sewers and drainage; the maintenance and repair of municipal buildings; public illumination; inspection of buildings, plumbing, and boilers; has partial charge of sanitary inspections; prepares all plans and estimates for municipal public works; constructs or supervises all municipal public works, and makes all surveys of streets and public property within the limits of the city.

The funds available for carrying on the work of the engineering department were received as follows:

Amount appropriated by Act No. 1706.....	₱428, 178. 00
Receipts:	
Water rents.....	₱234, 429. 68
Building permits.....	14, 994. 87
Boiler licenses.....	664. 00
From interbureau transactions.....	50, 552. 74
	<hr/> 300, 641. 29
Total available for expenditure.....	728, 819. 29
Expenditures:	
Salaries and wages.....	322, 996. 38
Contingent expenses.....	360, 640. 36
Transferred to municipal board for carnival association.....	5, 000. 00
	<hr/> 688, 636. 74
Balance.....	40, 182. 55

The work of the department was carried on with a total permanent force of 909, including 15 Americans and 894 Filipinos. Of this force 55 are classified under civil-service regulations, and there were on June 30, 1908, 854 unclassified employees in the service of the department.

The department is organized under four principal subdivisions:

(1) Office of street construction and bridges; (2) office of water supply and sewers; (3) office of drafting surveys; (4) office of inspections and records.

STREET CONSTRUCTION AND BRIDGES.*

To this department, under an American superintendent, is assigned all the work connected with the construction and maintenance of streets, including the preparation and distribution of crushed stone and other products from our own quarries, Talim Island, in Laguna de Bay (27 miles from Manila); the construction and maintenance of bridges, of which there are 55 within the city; and the inspection of one private suspension bridge spanning the Pasig River.

For the administration of this branch of the service the city is divided into four districts as follows:

District No. 1, including Intramuros, Ermita, and that portion of Paco west of the Paco Estero.

District No. 2, including San Nicolas, Tondo, and Binondo.

District No. 3, including Santa Cruz, Quiapo, Sampaloc, and San Miguel.

District No. 4, including that portion of Paco east of the Paco Estero, Malate, Santa Ana, and Pandacan.

The total area of streets under maintenance is 1,360,229 square meters, of which 17,433 are paved with wood blocks; 34,392 with granite blocks; 1,307,989 with macadam, and 415 with asphalt.

Generally speaking, macadam, being the most economical under the varying conditions of traffic, must remain the principal material for paving for some time to come. Its value depends principally upon the quality of material employed, and also largely on the facility for drainage, which permits of a dry cap free from dust during the dry weather and from mud during the rainy season.

Unfortunately, no first-class material has yet been found within easy reach of Manila, the best supply available being that of our own quarries, Talim Island. The quarry face is unreliable, and it is necessary to handle at least 2 tons of material to secure 1 ton of suitable road metal. This is particularly true during the rainy season, when it is impossible, without excessive cost, to separate the clay and other useless material from the stone prior to crushing. The result is that in spite of all our labors to secure clean metal a large quantity of fine clay finds its way into the street surface, making first-class construction practically impossible and resulting in extremes of dust and mud, according to the weather. Special efforts were directed during the year to the securing of clean metal. An experiment was tried on Calle Santo Cristo to ascertain the result of using none but selected material. The street was first excavated to a depth of 10 inches below grade and then filled with the best class of stone attainable and thoroughly rolled to grade. A mixture of one part coal tar and three parts pitch was heated and spread over the surface in sufficient quantity to fill all crevices; a coating of washed screenings one-half inch thick was then spread over the surface, and during the hottest part of the day was thoroughly rolled into the tar with the road roller. At the end of four months the street is little, if any, better than sections where ordinary methods of construction have been pursued. This indicates, unquestionably, the inferior quality of the available road metal. Another experiment was tried upon this street during the month of April, when Lutz & Co. supplied the department with 300 gallons of a surfacing compound called "Ermenite," which was sprinkled over the street in liberal quantities according to the instructions of the agent and the street closed to traffic for over two hours to allow of the compound drying in. The material was considered to be a preventive of mud and dust, but within four days the merchants on the street complained of the conditions to such an extent that sprinkling had to be resumed. The material, no doubt, has its value for suburban roads and streets not given over to heavy traffic, but in a busy street like Santo Cristo it appears to have little or no value.

Wood-block paving.—The Escolta, Calle Rosario, and Plaza Cervantes, with adjacent streets, were paved in 1904 with wood blocks from Tasmania, laid upon a base of 5 inches of concrete. Signs of failure were already visible at the beginning of the present year, but wholesale deterioration was not anticipated.

* Tables showing cost of repairs to streets and bridges have been omitted and filed in the Bureau of Insular Affairs, War Department.

During the dry season the merchants on the Escolta requested that the flushing system of street cleaning be adopted to relieve them of the dust of which they complained, and it was adopted in January. Within three months a very noticeable failure of this paving became apparent, and without doubt the whole area paved with blocks will have to be taken up before they have been in use five years.

The original cost of this paving, including concrete base, was ₱10 per square meter, and the annual cost of maintenance has proved to be ₱2.55 per square meter. So, far from being an economical paving, it has proved quite the reverse; and the whole pavement is now being relaid with molave blocks, as rapidly as they can be secured, at much higher initial cost.

In order to ascertain the values for paving purposes of other native woods less expensive in first cost than molave, small numbers of blocks of various woods have been laid, with the results indicated below:

Apitong and dao blocks were laid on the Escolta on September 14, 1907, and before the close of the present year had commenced to decay and were removed. The blocks were furnished as samples and were of excellent quality of their kind, but have proved absolutely unfit for paving purposes.

Agoho blocks, creosoted by the bureau of science, were laid on the Escolta March 7, 1908, and the same bureau is now preparing blocks of lauan, toog, guljo, and apitong with creosote, which will be laid as soon as received.

California redwood blocks, without any creosoting or other treatment, were laid on Calle Anloague on August 29, 1906, and at present are in first-class condition without showing any signs of deterioration or wear.

The value of wood-block paving, however, under all circumstances, is out of all proportion to its cost in other countries. The department has therefore experimented during the year with concrete as a paving material. Sheet concrete 8 inches thick was laid in sections near the Quinta market on Calle Echague, and up to the present time has proved entirely satisfactory. Its cost is about one-third of that of wood paving, and if undertaken over large areas the cost will undoubtedly be still lower. One disadvantage lies in the fact that the street must be closed temporarily to traffic until the concrete is seasoned. To avoid this objection, blocks of various sizes have been manufactured and allowed to season before being laid, various sizes having been tested to ascertain the most economical form. Blocks of the material have been laid on Calle Echague, between Calles Padre Ducos and Rozco, and the result will be awaited with interest.

The asphalt paving laid on the Ayala bridge has now been in use three years, and from all indications it appears certain that the mixture used there will give exceedingly satisfactory results. Asphalt would appear to be the ideal paving material for this country, and the establishment of a repair plant with sufficient capacity to undertake the paving of large areas of business streets should be considered at the earliest opportunity.

As macadam must for many years be the prevailing type of pavement, investigations should be made with a view to securing an ample supply of first-class road metal within easy distance of Manila.

Excavations in streets.—The street department has issued during the year 1,463 permits for obstructions and excavations in street areas. Many of these were granted to plumbing and other contractors, and the practice has been found very unsatisfactory. The contractor has little or no interest in the maintenance of good streets, rarely has had any experience whatever in this work, and is poorly equipped for replacing the street in proper condition.

The city engineer strongly recommends that no excavation, except in case of special city contracts, be made in street areas except by the street department. On completion of the main contract for the construction of the new sewer system thousands of excavations must be made throughout the city for the purpose of making house connections with the main sewers. All excavations of this nature should be made by the street department, or the result will be a condition of streets vastly more dangerous and unsatisfactory than the condition with which we have been confronted during the progress of the sewer contract. It is believed that the street department can excavate and refill trenches more economically than private contractors; the work would undoubtedly be done better, and expensive inspections by a numerous force employed by the street department to guard the safety of the streets will be unnecessary.

Drainage.—The question of drainage is second only in importance to that of material used. Owing to the low level of practically the whole city, local systems of drainage confined to comparatively small areas are impossible, and a

comprehensive system for the whole city has been devised and approved by the board. It will be years, however, before this system can be installed in all parts of the city and the question of drainage be said to be solved. Some portions of the city are still below the level of extreme high tide, with the result that a heavy rain during the period of high water floods large areas and the streets remain for some hours under water. The road surface is thereby softened, the roadbed ruined, and extensive repairs rendered necessary. This is particularly true of Calle Azcarraga, and some portions of the Trozo district, and also in part of Paco. The work of raising Calle Azcarraga and adjacent streets is well under way, and by the end of the rainy season these streets will probably be in a perfectly satisfactory condition. Private property in the vicinity will still be below the high-water level.

New constructions.—The only new streets constructed during the year were built in the new port district. A roadway 8 meters wide has been constructed under contract with the Bureau of Navigation from the Malecon to the new docks; and one 12 meters in width is well on toward completion along the wharf front between the two docks, constructed or under construction.

Owing to the increased cost of construction during the rainy season, the work was suspended shortly before the close of the year and will probably not be recommenced until the wet season is practically over.

Esteros.—A very small amount was available for the important work of dredging the waterways of the city, with the result that the work was undertaken only on Estero San Sebastian. Dredging was done by hand, the mud being carried in bancas to a piece of city property adjacent to Plaza Carmen. The mud deposited dried rapidly, and an extensive hole filled with the dredged material was made available for a stone deposit for this department. An appropriation has now been secured which will enable the department during the coming year to materially improve the conditions in the Meisic and Trozo esteros, and possibly others, the dredged material to be used in filling the site of Columbia avenue.^a

Bridges.—The work on bridges during the year has been confined principally to light repairs on the 55 bridges of all descriptions, of which 17 are still wooden structures. It is the policy of the department to keep up the light repairs to these bridges as long as it is safe to do so, and when opportunity offers and extensive repairs are required, these structures will be replaced by more permanent ones.

The most advantageous method of treating these bridges, where the span is short, is by substituting steel I-beams for the stringers and concrete slabs for the timber decking.

The Marquez de Comillas Bridge was constructed in this manner at a cost of ₡274.83; the San Agustin Bridge on Calle Gandara is under construction and will probably cost ₡6,000; the San Luis Bridge has also been commenced, and during the coming fiscal year it is hoped that several more wooden bridges will be replaced by structures of this class.

The Binondo lift bridge cost for operation and repair during the year ₡4,123.74.

The principal items of expense were incurred on the following bridges: Prim, repairs to foundation, wing walls, flooring, and railing, ₡1,550; San Blas, repairs to foundation, stringers, floor, etc., ₡1,430; painting and light repairs to Ayala, Chinesco, Convalecencia, Iris, San Sebastian, Santa Cruz, and Bridge of Spain, all of these between ₡200 and ₡500 each. The total amount expended for bridge maintenance was ₡12,830.13.^b

Launches.—Extensive repairs to the launch *Washington* were necessary during the year, amounting in cost to ₡3,897.84. The launch *Jan* needed only minor repairs, costing ₡643.58.

Quarry.—The equipment at the quarry was increased by the purchase of a new boiler and hoisting engine, these being rendered necessary by the increasing difficulty of securing sufficient road material in any one part of the quarry. The extension of the working face made it necessary to increase the track and add a new donkey engine. The cost of these improvements was ₡3,323.91.

^a A table showing the cost of street construction and repair has been omitted and filed in the Bureau of Insular Affairs, War Department.

^b Table showing this in detail has been omitted and filed in the Bureau of Insular Affairs, War Department.

The cost of production of crushed stone is gradually increasing, on account of the greater distance covered by the quarry operations and the longer haul of the products from the face to the crusher.

Road rollers.—Three 10-ton steam road rollers have been in constant use during the year, averaging two hundred and fifteen working days each, 1 being Kelly-Springfield type, and 2 of the Buffalo-Pitts. These 3 together have been found inadequate for the work of the department, and a fourth has been purchased, but at the close of the fiscal year had not been delivered.

The increased work of street repair rendered necessary by the construction of the new sewer system will demand the constant use of 4 rollers in the future, and with all 4 in operation it is hoped that more complete rolling of newly metalled surface can be given than has been possible in the past. The repairs for the 3 rollers during the year have cost ₱4,700.

Scows.—The transportation of materials from the quarry has required during the year the full fleet of 24 scows, which have been maintained in good condition and are practically as serviceable as at the beginning of the year.

The total output of the quarry was 48,665 cubic meters, of which 2,500 were sold to other government bureaus, the remainder being used in the maintenance of streets.

OFFICE OF WATER SUPPLY AND SEWERS.

Water supply.—The total consumption of water for the fiscal year was 7,364,985 cubic meters, an average of 613,749 cubic meters per month, and on a basis of 220,000 population, 92 liters or 25.55 standard gallons per capita per day.

This quantity of water was elevated by the pumps to the storage reservoir at El Deposito, with an average operation of 13.95 engine hours per day, as compared with 15.15 for the fiscal year 1907 and 21.04 for the fiscal year 1906. This economy has resulted largely from the extensive repairs to the pumps at the beginning of the fiscal year just closed, each of the 4 pumps being given a general overhauling, the cylinders relined, and plungers turned down. The work was done by Messrs. Manuel Earnshaw & Co. at a cost of ₱1,936. No repairs were found necessary to the boilers during the year, the only other repairs of machinery of any kind being necessitated by the breaking of a crank pin on pump No. 2 on February 15. The repairs were made at the station.

Another evidence of the improved condition of the plant is noticeable in the decreased consumption of coal; 2,166.5 tons for the present fiscal year as against 2,241 for the fiscal year 1907, and 2,771 for the fiscal year 1906.

Of the total amount of water consumed, 66.2 per cent was paid for; the remaining 33.8 per cent being for municipal purposes, or supplied free to the insular government bureaus and the beneficiaries under the Carriedo will.

The total receipts for the year amounted to ₱234,478.23, the cost of distribution being ₱102,402.86.

Supply mains.—Two accidents occurred to the mains outside the pumping station, in each case involving the breakage of the 16-inch mains. The first occurred on September 13, and repairs were completed by the 15th. The second occurred on November 28, and resulted in temporary stoppage of supply to the deposito. In both cases repairs were completed before any shortage of water was noticeable in Manila.

A temporary shutting down of the system was caused on June 13 by the necessity of connecting the new system to the old; the water was shut off at 7 p. m., and communication opened again at 2 a. m. With these exceptions, supply was continuous throughout the year, quantity and pressure being practically constant.

The Mariquina River has at all times supplied all water necessary, as the dry season was so short that no diminution of supply occurred. The dam at the pumping station is in good condition and required no attention during the year.

The Intake tunnel was cleaned as usual. The buildings and grounds of the Santolan pumping station are and have continued to be in first-class condition. The buildings at the deposito need some repairs and are badly in need of painting. Some ₱4,000 will be required for this work, and it is hoped that this sum will be available during the ensuing year.

Santolan road.—This road has been maintained in fair condition throughout the year; all necessary repairs being made to keep it in condition for the hauling of coal and other supplies to the pumping station. The coal supply was hauled this year by the traction engine at a cost greatly below that by animal

transportation. Unfortunately, it is generally necessary to purchase our supply of coal at the beginning of the fiscal year, which is coincident with the rainy season, when hauling with a traction engine is difficult and often impossible.

Tunnels and reservoirs.—Several small leaks were discovered during the year, both in the tunnel and in the reservoirs, none, however, of any importance.

The south reservoir was cleaned during November, one cave in being discovered when examination was made, and repaired at slight cost.

The north reservoir was cleaned in December, several small leaks being discovered therein, probably caused by the heavy blasting along the site of the new pipe line.

Distribution system.—No increases of great importance to the distribution system were made during the year; the principal additions being an 8-inch main on Calle Victoria, Intramuros, 118 meters in length; 6-inch mains in San Nicolás, aggregating 180 meters, and about 800 meters of 4-inch mains in various parts of the city. The total length of distribution mains within the city limits is now 89,062 meters, ranging from 4-inch to 26-inch in diameter.

Public hydrants.—There are now in operation 138 hydrants for public use, only 6 of which are metered, the consumption of the remainder being estimated from these 6. Fire hydrants to the number of 281 are now in use for fire purposes and street sprinkling. During the year 163 new services were installed, a decrease of 40 from the previous year. This is accounted for greatly by the fact that in many parts of the city the present distribution system is inadequate to supply all consumers at all hours of the day, for which reason house owners hesitate to install water when they have access to the public hydrants free of charge.

The total number of services in operation June 30, 1908, was 4,407. During the year 14 services were discontinued on account of nonpayment, and 5 installations cut off for the same reason. Many complaints were received from house owners of increased consumption, and fault is usually found with the meter. Investigation invariably shows, however, that the meter, if at fault, shows less than the actual consumption, no case being recorded where excessive consumption was due to its incorrectness. In such cases the owner is always advised to examine carefully his distribution pipes for leakage. Sometimes carelessness in closing faucets will account for excessive consumption, but in almost all cases leaks are discovered.

The meter question has not yet been satisfactorily solved, but former recommendations of the department may be reiterated, to wit, that the city should own its own meters if possible, and in any case they should be confined to a few thoroughly reliable makes.

Where disk meters are exposed to the weather, no rubber or vulcanite should be used in this climate; as where they are exposed to the heat of the sun for a few hours only this material warps, with the invariable result that the meters fail to record the amount of water passing through, and the city loses in every case.

Free services.—Under this head are included all insular buildings, municipal buildings, public hydrants, fire and street sprinkling hydrants, and 9 beneficiaries of the Carriedo will.

This feature of the water system causes a very large waste, at times as high as 20 per cent of the total consumption. The insular buildings, in particular, should be metered, even though the water be supplied free of cost, as without a knowledge of the amount actually consumed, waste can not be readily detected and prevented.

Recognizing this fact, the heads of the insular bureaus were requested, long before the time for the preparation of the necessary estimates for the fiscal year 1909, to include therein amounts sufficient to cover the purchase and installation of meters in all insular buildings, and although recommended by the secretary of commerce and police, no provision was made in the estimates to cover the cost, and the matter remains as before.

The question is one of vital importance and the metering of free services should be insisted upon with all the force available. If the government shows itself indifferent to this matter of wastage of water, we can hardly expect greater care on the part of the public.

Water supply shops.—An unusual amount of repair work was necessary during the year, due to the construction of the sewer system. In many portions of the city the water mains necessarily run parallel to and within or close to the sewer excavations, and though breakage may not occur at the time of the excavation, the settling of the back fill causes many breakages in the mains.

Examination was made during the year of 1,016 meters. Our apparatus for testing is now very old and inadequate, and should be replaced by a more up-to-date model, so that inspections can be made within two hours instead of necessitating a whole day, as at present. Meter readings are now made throughout the whole city by a chief and 6 assistant inspectors.

Sewers and drains.—Only a small amount was allotted to this service during the year, and was sufficient only to clean and maintain old drains.

Two storm-water drains only were constructed during the year, one at Calles Noria and Escaldo, and the other on the Luneta, where the new filled area made its construction necessary for the drainage of the west road.

Cleaning and repair of private sewers has been carried on as usual, the cost of same being charged in each case against the owner.

OFFICE OF DRAFTING AND SURVEYS.

The routine work of this department includes the marking of street lines and grades for all purposes, the checking of plans and descriptions entered in the court of land registration of all properties within the city limits to prevent encroachment on streets, esteros, or other public property, and the laying out of block and road lines within the Cementerio del Norte.

During the past year street surveys have been made of the following streets: Calle Beata, Pandacan; Mandalayon road to Barrio de Punta, Calle San Roque, Santa Ana, and extensions of various streets in the Sampaloc district.

Expropriation plans for street widening have been made in the following streets: Bustillos, Arranque; Real, Paco; Santa Mesa; Real, Ermita; Marques de Comillas, Perdigon; Real, Santa Ana; Sangleyes (whole length); Nueva, Malate; Echague; San Roque, Santa Ana; Moriones, Malacañang, San Rafael, Remedios, Concepcion; San José, Binondo; Lrdizabel, Jolo, Lemery, Morga; Bangbang, Paco; and Nozaleda.

The most important work undertaken by this office has been the continuance of the 1 to 1,000 plan of the city, which is practically completed in 28 sheets, only the outlying districts lacking detail at the close of the fiscal year. These plans are all prepared on mounted drawing paper, from which a reduced map, on a scale of 1 to 5,000, is being prepared as the official map of the city of Manila. The changes in the street or house lines are being made with a view to publishing the map as the official map of the city of Manila on January 1, 1909.

In addition to this work, the detail block plan, on a scale of 1 to 400 is being continued, but will still require more than a year to complete. When finished, this plan of some 1,000 sheets will furnish a basis for the checking of all property plans, and will be valuable for the use of all departments for statistical information of every description. For instance, all water mains, conduits and underground structures, hydrants, valves, etc., will be marked thereon for the use of the water and fire departments. Population statistics, by blocks, for the board of health, school department, and police department may be shown on them. Such a set of plans is necessary in every city, and its preparation has been carried on during the last four years as conditions permitted.

This office has also continued the location of street monuments, for which special appropriation has been made, and during the year 150 such monuments were placed at the intersections of range lines parallel to and 50 centimeters from the approved building lines. The work during the year has been carried on mostly in Ermita, San Miguel, and Sampaloc.

When located, these monuments were carefully surveyed, sun observations being taken to fix the true bearings of street lines, so as to insure accurate information, which is made available for private surveyors, the court of land registration, city assessor, etc. This work is not yet completed, but is, in fact, a continuing work in a city undergoing reconstruction of its street lines.

The office has been unable to do what should be done toward establishing profile and cross-section plans of our streets. This work, however, will be taken up as soon as circumstances permit. Our bench-level marks are checked from time to time and all buildings erected were constructed to conform to established grades wherever possible.

The work of the office also included the preparation of structural plans and of the estimates of all works to be undertaken or proposed.

The more important plans of this nature prepared during the year include that of widening the Paco bridge by the construction of a reenforced concrete arch; that for the reconstruction of the Gandara bridge, substituting steel I-beams and concrete flooring for the old wooden structure; a similar plan for

the Marquez de Comillas bridge; and one for a reenforced concrete culvert for the drainage of the Cementerio del Norte.

A gratifying improvement is noticeable in the quality of the work done by the junior draftsmen, who are now sufficiently advanced in the knowledge of the work of the office to warrant their being sent into the field to take original notes and plot field surveys.

OFFICE OF INSPECTIONS AND RECORDS.

This office is charged with the maintenance and repair of all public buildings belonging to the city, of the inspection of private buildings, plumbing, boilers, and to a certain extent, sanitary work. It includes also the keeping of all records of the department of engineering and public works.

Municipal buildings.—The end of the fiscal year finds all city buildings in good repair, except the Tondo and Luneta police stations. Owing to the structural defects in the Tondo building, nearly all the supporting timbers have become badly decayed, necessitating extensive repairs, which will be undertaken immediately. The old plumbing installation in the Luneta station will be removed and a modern system installed, although it would not seem advisable to install the new work until connection may be made with the new sewer system.

The police station at Cuartel Meisic was thoroughly overhauled and proper drainage installed. The old military bake shop was remodeled and converted into a recreation room for the police.

The matadero was repainted and new ovens under the scalding vats constructed. The roof of the city hall was thoroughly cleaned and repainted. The Paco fire station was rebuilt and a second story added, converting it into a convenient and up-to-date fire station.

The old quartermaster shops on Calle San Fernando were renovated and the interior arrangements altered to fit it for school purposes. As remodeled it accommodates about 750 pupils, enabling the city to vacate 3 rented buildings in that district.

The approaches to the Palomar crematory were reconstructed, the old supporting timbers being replaced with trusses from the old Ayala bridge.

Large elevated bins to facilitate the handling of crushed stone used by the street department were constructed on the river front in the Arroceros shops inclosure. A number of public closets were constructed and the old ones removed to more convenient points.

Building inspection.—The comparison of the records of this department with those of the previous fiscal year, shows a very gratifying improvement in the class of buildings being erected in the city. While the number of buildings erected is smaller than in the previous year, 459 as against 809 strong-material buildings, the value of the new structures completed or nearly completed was ₱1,030,650, against ₱958,097 for the much larger number erected in 1907.

Among the more important structures indicating the development of the city may be mentioned the following:

In San Nicolas, the Yangco Building, on Calle Tabora, and the warehouses occupied by Castle Brothers, Wolf & Sons, near the custom-house.

In Tondo, the annex to the railway station, and several private residences.

In Santa Cruz, the Lack & Davis Building and the American Hardware Company Building, both on Calle Echague.

In Ermita, the warehouses of Stevenson & Co., and the Young Men's Christian Association Building, Ermita, under construction.

Concrete construction seems to be increasingly popular; 5 of the buildings above mentioned being of that material.

Plumbing inspection.—The effect of prohibiting any but licensed plumbers from undertaking plumbing work, rendered possible by the passage of ordinance 93, is producing a marked improvement in the character of this class of work in the city. Pursuant to that ordinance, examinations have been held, and of the 35 who held plumber's license in 1907, only 12 are now authorized to undertake this branch of work.

Sanitary installations are now undertaken by men of approved competence and responsibility, with the natural result that the property owner is protected from the irresponsible and incompetent persons who formerly plied their trade, some of whom were unable to meet the requirements of the sanitary code, and whose work had therefore frequently to be removed after having been paid for by the owner of the building. No work can now be undertaken except

by licensed plumbers, who are obliged to prepare a statement of the work to be done before permit is granted.

No fee is charged for these permits, nor for the inspection, or the issuance of final certificates. Permits to the number of 844 were issued during the year, and 782 certificates issued therefor.

The approximate value of plumbing systems installed was ₱152,522.68, an increase of ₱26,661.93 over last year. This amount does not include the value of plumbing installations in military, insular, or municipal buildings.

For the coming fiscal year provision must be made for the inspection of all house connections to the new sewer system. This work will probably be commenced during the latter months of the year and will call for an increase in the personnel of the office.

Boiler inspection.—The number of boilers in operation in Manila at the close of the fiscal year was 190, 3 of which were installed during the year. There are also 21 motors of various kinds, not including electric.

Inspections were made of 84 boilers and 8 motors, but on account of the absence of the boiler inspector for five months on a vacation, the regular annual inspections of the remaining boilers and motors were postponed, to be taken up on his return, after he had satisfied himself that their operation during his absence was safe. Fees for inspections to the amount of ₱664 were collected.

Sanitary inspection.—One inspector is employed for this department, his time being principally devoted to the study of drainage problems of low areas of both municipal and private property.

The sanitary work is still chiefly in the hands of the director of health.

Records.—The records of the department are in first-class condition, up-to-date, and readily accessible for reference.^a

The cost of operating the quarry, launches, and scows was as follows:

Quarry.—Labor, ₱38,717.23; materials and repairs, ₱17,994.97; total cost, ₱56,712.20; total production, 48,665 cubic meters; cost per cubic meter of stone produced, ₱1.17.

Launches.—Labor, ₱9,935.43; materials and repairs, ₱15,523.59; total cost, ₱25,459.02; total amount of stone towed, 48,665 cubic meters; cost per cubic meter of stone towed, ₱0.52.

Scows.—Labor, ₱36,912.65; materials and repairs, ₱12,333.48; total cost, ₱49,246.13; total amount of materials delivered, 48,665 cubic meters.

The cost of stone per cubic meter laid down in Manila during the year was as follows:

Crushing-----	₱1.17
Towing-----	.52
Scows-----	1.01
Total-----	2.70

There were 2,499.125 cubic meters of broken stone sold during the year for ₱5,620.28.

The 24 scows used in bringing stone to Manila for street purposes have been overhauled during the year and placed in good condition. The foreman in charge of banca repairs also acts as assistant foreman of the quarry.

^a The following tables have been omitted and are on file in the Bureau of Insular Affairs, War Department: Detailed tables showing the cost of construction and repairs to streets and bridges; collectible revenues from private services, such as water service, plumbing, fire plugs, and fines; free water service to convents, street sprinkling, fire department, and waste; annual variations in water supply and cost and income of same; expenditures of the department of engineering and public works during the fiscal year 1908.

Private building construction by districts.

	Strong materials.				Light materials.			
	New buildings.		Repairs.		New buildings.		Repairs.	
	Per-mits.	Value.	Per-mits.	Value.	Per-mits.	Value.	Per-mits.	Value.
Binondo	56	P37,725	151	P38,995				
Ermita	54	811,365	92	18,343				
Intramuros	26	5,775	69	14,620				
Malate	21	21,440	32	6,724	209	P24,849	509	P21,571
Paco	35	48,995	28	5,409	59	8,460	252	13,207
Pandacan			6	12,730	16	2,025	92	4,730
Quiapo	32	19,150	78	10,815				
Sampaloc	35	36,280	56	8,280	320	51,645	631	34,624
San Miguel	23	43,640	41	20,178				
San Nicolas	36	166,305	260	22,610				
Santa Ana	2	1,800	5	11,565	32	4,390	190	9,708
Santa Cruz	51	204,790	132	23,066	193	24,033	424	15,982
Tondo	68	129,885	58	14,480	282	29,180	1,188	41,670
Total fiscal year 1908 ..	459	1,080,650	1,008	207,815	1,111	144,852	3,286	141,487
Total fiscal year 1907 ..	809	956,097	946	243,569	1,119	150,713	3,079	146,337
Difference	350	72,558	62	35,754	8	6,131	207	4,850

POLICE DEPARTMENT.

The appropriation for the police department for the fiscal year 1908, as provided by Act No. 1706, was P544,500. In addition to this amount there was available for expenditure for the maintenance of the department, the receipts from various municipal licenses collected through the city assessor and transferred to the amount of P224,532.56, and other miscellaneous receipts and refunds to the amount of P2,033.56. The expenditures were as follows:^a

The strength of the force at the end of the fiscal year was 1 chief of police, 1 assistant chief, 6 captains, 22 first-class sergeants, 136 first-class patrolmen, 10 second-class sergeants, 6 third-class sergeants, 22 second-class patrolmen, 255 third-class patrolmen, 113 first-class patrolmen receiving the maximum salary, P2,280; 1 receiving P2,160; 7 receiving P2,000; and 15 receiving P1,800 per annum; all second-class patrolmen are receiving the maximum salary, P900 per annum; 228 third-class patrolmen receiving the maximum salary, P720, 10 receiving P660, 6 receiving P600, and 11 receiving P480 per annum.^b

There were 107 trials by summary court, the amount realized from fines being P524.65.

The following statement shows the condition of the police fund:

Balance on hand July 1, 1907	P5,501.98
Receipts from fines	524.65
Donations	112.61
Interest on fixed deposit	175.00
Total	6,314.24
Expenditures:	
Funeral expenses for 2 native policemen	P300.00
Funeral expenses for 1 first-class policeman	150.00
Removing remains of Zena C. Long from Pasay Cemetery to Cementerio del Norte	50.00
Purchase of 3 graves	54.00
Music at funerals	86.00
White gloves and mourning bands used at funerals	114.17
Wreathes for graves, Decoration Day	60.00

^a Omitted and filed in the Bureau of Insular Affairs, War Department.

^b A table showing changes in the force has been omitted and filed in the Bureau of Insular Affairs, War Department.

Expenditures—Continued.

Incidental charge; expenses for funeral of Florentino del Mundo, March, 1905-----	₱30.50	₱844.67
Balance on hand-----		5,469.57

Of this amount ₱5,175 is on fixed deposit, ₱219.83 on current account, and ₱74.74 in charge of the storekeeper, police department.

ARRESTS.*

In all 11,061 arrests were made, a decrease of 276 as compared with the previous year.

The arms and accouterments of the department were inspected at regular intervals and are in excellent condition. All articles lost by members during the year have been paid for.

The health of the department has been excellent.

SECRET-SERVICE BUREAU.

The secret-service bureau recovered stolen money to the amount of ₱8,108.76, and stolen property to the value of ₱23,450.56; a total of ₱31,557.32.

The total number of ships arriving in the bay of Manila, boarded by agents of this bureau was 514; number not boarded, 85; departing ships boarded by agents, 392; not boarded, 161.

Conditions with reference to bay, harbor, and river work have not been improved, and the secret-service bureau labors under the same difficulties which have obtained since the department was deprived of the police launch. The remarks in the annual report of the municipal board for the fiscal year 1907, treating of this subject in detail, apply with equal force at the present time.

The Bertillon system, established in 1906, has been carefully developed and is being operated with much success.

PUBLIC-VEHICLE SERVICE.

As a result of the vigilance of the police department in cooperation with the license office of the city assessor and collector considerable improvement has been made in the condition of the public-vehicle service. Patrolmen in all precincts have been instructed to examine all vehicles and animals which appear to be in an unsatisfactory condition and to take up the licenses when necessary. The usual course is to inform the drivers of the vehicles the reasons for the confiscation and to direct them to put their outfits in proper condition and then apply to the city assessor and collector for a renewal of the license. The police department forwards all such confiscated licenses to the city assessor and collector, where they are held pending the appearance of the teams and requests for renewal. This system is working very satisfactorily. Vehicles are retired from the streets for a sufficient time to make the necessary repairs or to improve the condition of the animals, as the case may be. When the teams are again in proper shape the owners or their agents request an inspection, and if this be satisfactory the licenses are renewed without further cost. This work will be carried on with considerable vigor for the next three or four months, according to the rate of improvement. It is believed that within that time the public-vehicle service will be in much better condition than ever before.

In addition to the improvement in the vehicles and equipment the campaign has done much to clear the streets of weak, maimed, or otherwise unserviceable horses. It is a notorious fact that the drivers are often cruel and show very little consideration for their beasts. The police and the agent of the Society for the Prevention of Cruelty to Animals have made many arrests on this charge. Gradually the drivers are being impressed with the necessity of humane treatment. The press of the city has frequently denounced the apparent indifference of the larger part of the population to the unwarranted cruelty seen on the streets every day, and appeals have been made to the public, but without any substantial results. The only means of eliminating this shameful condition seems to be through the agency of the police court.

*Tables showing disposition of property confiscated, found, and stolen, nationality of those arrested, cause, and sex have been omitted and filed in the Bureau of Insular Affairs, War Department.

An amendment to the ordinance is in course of preparation which will provide a better system of numbering public vehicles, controlling the drivers, and informing the public of the proper tariff by means of conspicuously posted tariff cards.

The chief of police is supplied with a light runabout automobile, the original cost of which was ₱1,949.75. The monthly expense for operation is considerably less than that of the animal-drawn transportation formerly in use. Accidents and heavy usage during the first months of operation make the cost for repairs unusually high. Owing to the short time the car has been in service an accurate comparison of the cost of maintenance can not be satisfactorily made. However, from the standpoint of efficiency there is no question whatever. The chief can now accomplish the inspection of the entire department, including all stations, in the course of a morning, whereas with the horse and buggy formerly furnished, at least two days were required. The range of his active supervision has been very greatly increased. Appreciating the great saving in time and convenience of ocular inspections of various pieces of important work, the members of the board have occasionally drawn on the chief for the use of his automobile.

A year of very creditable work has been accomplished by the department, which is recognized as being too small in numbers for the territory and responsibility which it is expected to cover. A very large amount of work has been done for the insular government, especially in supplying information in connection with the investigations of the pardon board, and it has been found necessary to temporarily detail men from the uniformed force to the secret-service bureau. The elections, which were authorized last year for the first time and are beginning to occur with much frequency, with all the corresponding extra work in connection with numerous parades, public meetings, and demonstrations of favor and protest, call for the entire energy of the department, including the reserves. The municipal board has put upon the police department the obligation of securing election returns from the 48 voting places and of tabulating the results for the preliminary information of the city government and the public, and this work has been done accurately and promptly, to the entire satisfaction of all concerned.

EXTENSION OF JURISDICTION.

When the street railroad was established several people immediately moved into the suburbs and this number has increased until now there are many families living in the desirable localities near the city limits.

The district just beyond the city limits, at several points, is infested with gambling joints, cockpits, and dance halls of a low order, in some of which prostitution is practiced or fostered. These have been the sources of many complaints from time to time. Under the present laws it is practically impossible for the police department of this city to eliminate these nuisances, and the authorities of the provincial towns are apparently making no effort to improve conditions. The matter has been taken before the governor-general, who will no doubt make provision for adequate relief.

On the evening of June 10, 1908, August Blumenthal was shot and killed on his premises in Pasay by a policeman of that municipality. This caused the American residents of the neighborhood to petition the governor-general, through the chief of police, that some steps be taken to improve the police conditions of the barrios of San José and Maytubig, where a number of Americans have purchased or leased lands and built homes. The petition describes these residents as peaceful and law-abiding and desiring nothing more than to be given proper police protection, which is not guaranteed under the present régime. It is backed by 54 signatures and prays for the extension of the police jurisdiction of the Manila authorities over the barrios of San José and Maytubig, eliminating entirely this district from the Pasay police; second, or the alternative, that either the native police who are patrolling these barrios have their revolvers taken away from them or that a responsible officer be put in charge, as was done in Cavite. This petition was duly forwarded to the governor-general. The board and the chief of police have suggested to the proper authorities legislation which it is believed would make it possible to clean up these districts, but no definite action has been taken up to date.

LAW DEPARTMENT.

The offices of the city attorney, prosecuting attorney, municipal court, register of deeds, justice of the peace, and sheriff are comprised in this department.

The amounts expended by the city for the maintenance of each of these offices and the incomes of said offices during the fiscal year ended June 30, 1908, as compared with the preceding two years, are as follows:^a

The statement shows that the expenses of each of the offices have been diminishing year by year, and that comparing their total expenditures with their total incomes during the past three years we have the following:

Fiscal year.	Expenditures.	Incomes.	Excess of expenditures over incomes.
1906.....	P149,788.59	P105,140.44	P44,648.15
1907.....	114,472.38	98,046.68	21,425.76
1908.....	106,779.89	88,911.98	17,867.91

This department is, as seen by the foregoing statement, largely self-supporting.

OFFICE OF THE CITY ATTORNEY.

The force of this office during the fiscal year 1908 consisted of 6 Filipinos.

A comparison of the administrative labors during the fiscal years 1906, 1907, and 1908 is shown in the following tables:^b

Nature of work performed.	1906.	1907.	1908.
Opinions written.....	73	52	23
Ordinances prepared.....	6	9	7
Bonds, deeds, etc., prepared.....	146	60	56
Letters sent.....	757	266	327
Letters received.....	465	308	308

OFFICE OF THE PROSECUTING ATTORNEY.

The personnel of this office during the fiscal year 1908 consisted of 5 Americans and 6 Filipinos.

The work performed by this office during the fiscal years 1906, 1907, and 1908 is shown in the following table:

Year.	Investigations made.	Cases prosecuted in the court of first instance.	Cases prosecuted in the municipal court.	Coroner's inquests held.
1906.....	4,619	480	3,122	.....
1907.....	c 3,238	621	e 679	64
1908.....	8,076	680	5,896	84

^a A table showing collections and expenses of the department has been omitted and filed in the Bureau of Insular Affairs, War Department.

^b A comparative tabular statement showing cases prosecuted in the various courts during 1907 and 1908, cases won, appealed, etc., has been omitted and filed in the Bureau of Insular Affairs, War Department.

^c Attention is invited to the above figures, excessively reduced as compared with those for other years. This reduction was due to the fact that in the report for the fiscal year 1907 there were not included all the investigations made in the cases of the municipal court nor all of the cases filed in said court, because there were included only those investigations made and cases prepared in the office of the prosecuting attorney.

It is a fact that the number of cases filed in the municipal court increases day by day, as municipal ordinances increase. To properly attend to this work the addition of one assistant prosecuting attorney is necessary.^a

OFFICE OF THE MUNICIPAL COURT.

The personnel of this office during the fiscal year 1908 consisted of 1 American and 5 Filipinos.

The work performed by this office during the fiscal years 1906, 1907, and 1908 was as follows:^b

	1906.	1907.	1908.
Complaints filed.....	7,180	6,206	5,982
Defendants tried.....	11,122	10,084	9,057
Defendants on bail.....	8,856	8,826	8,679
Defendants without bail.....	7,267	6,258	5,358
Males tried.....	9,415	8,410	7,558
Females tried.....	1,707	1,674	1,499
Minors tried.....	781	250	115
Filipinos tried.....	8,704	7,960	7,121
Americans tried.....	555	823	833
Chinese tried.....	1,611	1,677	1,484
Other nationalities tried.....	252	134	119
Defendants found not guilty and dismissed.....	1,454	1,428	1,446
Cases appealed to court of first instance.....	196	212	173
Defendants found insane.....	117	59	91
Minors committed to Hospicio de San José under Act No. 1438.....	53	94	57

OFFICE OF THE REGISTER OF DEEDS.

The personnel of this office during the fiscal year 1908 consisted of 7 Filipinos.

The work performed by this office during the fiscal years 1906, 1907, and 1908 is shown in the following table.^c

By Act No. 1699 the duties of examiner of titles, which position had been abolished, were transferred to the register of deeds.

The office of the register of deeds requires the services of a person to translate documents which are presented in English, and to act as interpreter when persons who do not understand Spanish present themselves at his office for the transaction of business.

OFFICE OF THE SHERIFF.

The personnel of this office during the fiscal year 1908 consisted of 1 American and 7 Filipinos.

The work accomplished during the years 1906, 1907, and 1908 is shown in the following table.^c

OFFICE OF THE JUSTICE OF THE PEACE.

The force of this office during the fiscal year 1908 consisted of 4 Filipinos.

The work performed by this office during the fiscal years 1906, 1907, and 1908 is shown by the table below.^c

FIRE DEPARTMENT.

The appropriation for the fire department for the fiscal year 1908, as provided by Act No. 1706, was ₱299,250. In addition to this amount there were available for expenditure for the maintenance of the department ₱3,783.02.

^aA table showing the disposition of cases, convictions, dismissals, acquittals, and pending has been omitted and filed in the Bureau of Insular Affairs, War Department.

^bA table showing the number of court cases for 1906, 1907, and 1908 has been omitted and filed in the Bureau of Insular Affairs, War Department.

^cOmitted and filed in the Bureau of Insular Affairs, War Department.

collected by the city assessor and collector from the operation of the city electrician's office, refunds, etc. The expenditures were as follows:

Salaries and wages	₱230, 639. 52
Contingent expenses	72, 907. 85
Total	308, 547. 37

The strength of the force at the end of the fiscal year was 1 chief, 1 deputy chief, 1 chief engineer, 8 captains, 13 lieutenants, 5 first-class engineers, 9 second-class engineers, 45 first-class firemen, 50 second-class firemen, 1 mechanic, 5 linemen, 1 chief clerk, and 2 clerks.^a The uniformed force, including officers, consists of 133 men.

The apparatus of the department has been maintained in first-class condition. The greater part of the hose in service at the beginning of the fiscal year had been in use since 1902 and 1903 and was more or less unserviceable, which made necessary the purchase of new hose and of certain extra parts for the apparatus which had also been long in use.

The equipment of the department at the end of the fiscal year consisted of 6 steam fire engines, 1 gasoline fire engine, 4 chemical engines, 2 hook and ladders, which are stationed as noted in the last annual report. One Morse monitor nozzle was installed on hose wagon No. 2, and will be effective in combating large fires. The total amount of hose in service was 18,500 feet of 2½ inch, of which 16,000 feet are in good condition.

FIRES.

The department responded to 122 fires within and to 3 fires outside the city limits, an increase in number of 7 over the fiscal year 1907, as follows:^b

The total fire loss during the year (not including the 3 fires in the barrio of Maytubig), was ₱280,517.62, of which ₱156,943.70 was on buildings and ₱123,573.92 on contents. Of this amount, ₱115,145 was insured. The total loss for this year was ₱397,191.38 less than that for the fiscal year 1907, and ₱204,324.72 in excess of the loss for the fiscal year 1906.

SERIOUS FIRES.

August 10, 1907, 1.43 p. m.: In mixed material house No. 11 Calle Sulucan, district of Sampaloc, occupied as a dwelling, and extended to 91 other nipa houses. Cause of fire unknown. Total loss was ₱23,725.

February 7, 1908, 9.55 p. m.: In strong material house No. 85 Calle Moriones, district of Tondo, occupied as a dwelling, and extended to 9 other houses (2 strong material and 7 nipa). Cause of fire unknown. Total loss ₱6,551.

March 3, 1908, 3.53 a. m.: In strong material house Nos. 407-409-411 Calle Real, district of Paco, occupied as a dwelling, and extended to 6 other houses (4 strong material and 2 nipa). Cause of fire unknown. Total loss ₱20,000.

March 11, 1908, 2.38 p. m.: In nipa house No. 264 Calle Balic Balic, district of Sampaloc, occupied as dwelling, and extended to 241 houses (116 nipa, 111 mixed material, and 14 strong material). Cause of fire unknown. Total loss ₱85,559.

Three fires occurred in the barrio at Maytubig, near the city limits, which endangered property in the city of Manila in that vicinity. The department responded to alarms turned in for these fires, and worked four hours at the first fire, March 2, 1908, and one hour at the second fire, April 6, 1908. The third fire, June 17, 1908, was extinguished before the arrival of the department.

INSPECTIONS.

The usual inspections of each district were performed by the proper officers, and the fire hydrants were inspected each month by opening the plugs and flushing out the valves.

^aA table showing changes in the department has been omitted and filed in the Bureau of Insular Affairs, War Department.

^bThis table has been omitted and filed in the Bureau of Insular Affairs, War Department.

STATION BUILDINGS.

The remodeling and reconstruction of Paco fire station was completed, and the new station was occupied on October 31, 1907. This building is now one of the model stations in the city, and the reconstruction has greatly added to the efficiency of the companies stationed there.

The light runabout automobile supplied the chief of this department has so far proved an entire success. Owing to the short time it has been in use it is difficult to make an accurate comparison of the cost of operation, including repairs, with that of the animal-drawn transportation. Formerly the chief was obliged to maintain two horses for his own use, and even then was unable to make his inspections and do his regular routine work with anything approaching the speed or convenience which he now enjoys. The cost of the animal-drawn transportation was ₱2,538.80, as against ₱2,049.75 for the automobile, which is ₱489.05 on the initial cost in favor of the automobile. The cost of operation and maintenance of the automobile promises to be considerably less than that of the transportation formerly in use.

The question of automobile fire apparatus has received the careful attention of the department, and while last year no recommendation was made to the municipal board for the purchase of such equipment, the study and observation of this newer type would now warrant such a recommendation were there any funds available.

The chief renews his recommendations of last fiscal year concerning new fire stations, and especially the addition of a fire boat, but owing to the limited funds these much-needed improvements can not be secured.

On the recommendation of the chief, the municipal board offered a reward of ₱100 for the arrest and conviction of anyone caught setting fires in the city. This was made necessary by the number of incendiary fires which occurred in many places, particularly in the nipa districts. It was practically impossible for the authorities to discover the guilty persons. It is believed that these light-material houses were often fired by enemies of the occupants, and arrows were found wound with oil-saturated rags partly burned and embedded in the roofs of nipa houses. These had evidently been shot with incendiary intent. Since the time of offering the reward it has so happened that the number of fires attributable to such cause has diminished.

ELECTRICAL BRANCH.

During the year an unusually large amount of reconstruction work on the aerial system of the fire and police alarm system became necessary, on account of deterioration and the damage done by typhoons and the sewer construction.

The greater part of the fire and police alarm system has been in service for five years with very limited reconstruction, and in consequence the wires and poles have in many cases become unserviceable. During the ensuing fiscal year all decayed poles and unserviceable wire will be removed and replaced by new material.

Three additional fire-alarm boxes and 10 additional police-alarm boxes were installed, making the total 159 fire-alarm boxes and 139 police-alarm boxes. All alarms turned in over the fire-alarm system were received in a satisfactory manner, and both the police and fire alarm systems gave excellent service.

There are in use for the fire and police alarm system 1,190 poles, of which the Philippine Islands Telephone and Telegraph Company uses about 800 at a charge of ₱0.20 per year per wire, which amounts to approximately ₱1,300 per annum. In this connection it is recommended that the bureau of posts be charged rental for the use of the fire and police alarm poles at the same rate as that now paid by the telephone company, and that the Manila Electric Railroad and Light Company be charged a fixed price, to be determined after investigation, as the strain on city poles used by the railroad company is quite heavy.

The motor generator set, formerly used for charging the batteries of the alarm system, has been discontinued and they are now charged direct from the trolley wires of the railroad company, resulting in a saving of approximately ₱50 per month for the city.

The city electrician issued 3,162 permits for electrical installations and 2,906 certificates. The fees thus earned amounted to ₱6,670.50.

The electrical branch has commenced a series of voltmeter tests with a view to getting a complete chart of the city showing the location and size of all

underground metallic pipes, the location of street-car tracks, power houses, quantity of outgoing and incoming electric current at various points of the street-car and public lighting systems at different hours of the day, circular mills of copper or its equivalent in the return conductors, and all necessary data to enable the electrical branch to control the use of electric currents, which will practically prevent all electrolysis, especially on the pipe system of the city water supply.

The public lighting system at the end of the fiscal year consisted of 402 arc and 327 incandescent street lights.

By direction of the municipal board the new inclosed arc lights are being substituted for the incandescent, which latter are being removed as rapidly as facilities of construction will permit. This work is being done by the contracting company under the supervision of the city electrician. The inclosed arc light is a great improvement over the old arc which had been in use for many years. In certain parts of the city, where the streets are narrow and crooked, the limited appropriation does not permit of the installation of a sufficient number of the new high-power lights to give entire satisfaction. In such places the old incandescent lights would serve to cover limited areas, but in streets of ordinary width the incandescent light does little more than disturb the darkness. On the whole the system is much improved, and the public service is in better condition than at any time in the history of the city. Naturally there have been complaints from persons living in isolated districts to which the system has not yet been extended, owing to the limited appropriation available for this purpose, and also from residents in other sections where narrow, crooked streets partly destroy the effect of the new arc lights, which are placed at greater intervals than in the old incandescent system. A slight increase has been requested in the appropriation for the coming fiscal year, and if it is approved several much-needed extensions can be made.

There are in use in the city of Manila approximately 67,018 incandescent, 206 inclosed multiple arc, and 22 open arc lights, 17 Nernst lamps, 972 power motors, and 614 desk and 350 ceiling fans.

The rates for the sale of electric current were established by franchise and are set forth in the city ordinance. The municipal board has appointed a committee for the purpose of investigating the rates thus fixed.

DEPARTMENT OF ASSESSMENTS AND COLLECTIONS.

Under the municipal board the department of assessments and collections is operated by the bureau of internal revenue; the collector of internal revenue being ex officio city assessor and collector for the city of Manila, and the said bureau is reimbursed by the city for the expense incident thereto, which in the year covered by this report amounted to ₱101,808.99.

The following is compiled from the annual report of the said ex officio city assessor and collector to the municipal board for the fiscal year 1908:

REAL-ESTATE TAX.

The total value of taxable real estate in Manila, as shown by the 1908 tax rolls, is ₱81,943,694, an increase of ₱253,909 over the valuation as shown by those of 1907. In addition to the changes in the general assessments made each five years, the tax rolls undergo yearly changes by a reduction of the value of buildings burned, or otherwise destroyed, by the addition of the value of new buildings erected, by additions or reductions made in the assessed values by the board of tax appeals, and by correction of erroneous assessments caused by faulty plans.

Work on the assessment map of the city has progressed greatly during the year. Surveys and plans were completed covering 83 blocks, containing 750 separate parcels of land.

New buildings were erected during the calendar year 1907 to the value of ₱1,001,745, as compared with ₱1,594,506 during the calendar year 1906, and ₱2,682,606 during the calendar year 1905. There has been a gradual decline in the value of new buildings erected since 1903, during which year the value was ₱3,784,320.

The board of tax appeals met in January, 1908, in accordance with Act No. 1793, which provides for yearly meetings thereof, and 26 appeals were heard, involving property valued for taxation at ₱760,981. The valuations of 8 prop-

erties were reduced in the total sum of ₱48,109, or less than 1 per cent of the total amount involved in the appeals.

Real-estate taxes to the amount of ₱1,233,795.34 were collected during the fiscal year 1908, as compared with ₱1,302,855 during the fiscal year 1907, a decrease of ₱19,059.66, due to the fact that the delinquent lists were greatly reduced by the collections during the latter, leaving a comparatively small delinquent list to be collected during the former.

Two tax sales were held during the year. No property has been advertised for sale unless the tax on same was delinquent for two or more years. Nearly all of the property sold for taxes is redeemed by the owners.

During the year the real-estate tax collections amounted to ₱1,233,795.34, as follows:

Due prior to 1907.....	₱58, 872. 87
1907	461, 855. 33
1908	763, 067. 14
Total	1, 233, 795. 34

The following comparative statement shows the amount of delinquent taxes outstanding on June 30, 1906, 1907, and 1908:

Year.	On June 30—		
	1906.	1907.	1908.
1901.....	₱410. 02	₱15. 86	₱15. 00
1902.....	2, 367. 64	115. 02	50. 16
1903.....	5, 646. 60	207. 16	29. 94
1904.....	20, 084. 29	1, 076. 36	168. 65
1905.....	64, 356. 35	3, 577. 84	1, 228. 51
1906.....		53, 658. 53	5, 679. 17
1907.....			44, 062. 88
Total	92, 814. 90	58, 650. 77	51, 234. 31

MATADERO.

The collections from this source amounted to ₱176,671.02, as compared with ₱164,962.53 during the fiscal year 1907.

There were slaughtered and removed from the matadero for consumption 84,950 animals weighing, dressed, 5,889,034 kilos, as compared with 76,145 animals weighing, dressed, 5,498,751 kilos, slaughtered and removed during the fiscal year 1907, as follows:

	Number.	Weight.	Fees.
		<i>Kilos.</i>	
Cattle	26, 245	3, 023, 219	₱90, 846. 57
Sheep	376	2, 758	82. 74
Hogs	58, 329	2, 858, 067	85, 741. 71
Total	84, 950	5, 889, 034	176, 671. 02

The expenses incident to operating the matadero during the year were ₱10,000, or 5.7 per cent of the collections.

PUBLIC MARKETS.

The total market collections amounted to ₱232,493.10, as compared to ₱238,711.46 during the previous year—a gain of ₱43,781.64, or 18 per cent.

The expense for collecting market taxes was 8 per cent of the total as compared with 7½ per cent during the fiscal year 1907. The increase was due to the more expensive system in force in Quinta market during the year.

The following statement shows the collections of each market during the fiscal year 1908:

Name of market.	Half year ending De- cember 31, 1907.	Half year ending June 30, 1908.	Year ending June 30, 1908.
Divisoria	₱79,362.65	₱76,756.70	₱156,109.35
Quinta	87,378.05	35,623.40	73,001.45
Arraque	13,604.80	13,117.55	26,722.35
Sampaloc	4,562.00	4,688.06	9,250.06
Herran	6,524.70	5,640.30	12,165.00
Anda	707.30	731.95	1,439.25
Santa Ana	766.55	781.65	1,498.20
Gagalangin	574.55	546.90	1,121.45
Pandacan	623.35	577.65	1,201.00
Total	144,083.95	138,409.15	282,493.10

MUNICIPAL LICENSES.

Ordinance No. 93, entitled "An ordinance relating to licenses and permits and providing for the regulation of certain trades, occupations, and callings in the city of Manila," enacted by the municipal board on February 11, 1907, became effective April 1, 1907. A full year has therefore been had for its enforcement, with results shown under the various subheads.

Business licenses and permits.—The collections from this source amounted to ₱22,949.01, as compared with ₱25,085.59 during the fiscal year 1907, a decrease of ₱2,136.58, which was due to the fact that during the year covered by this report nearly all licenses and permits were issued for periods of less than a year for the purpose of having all of the same class expire on a fixed date to facilitate the making of renewals thereof. While this system of issuing licenses had resulted in a smaller collection during the past year of about ₱8,000, the matter will adjust itself during the next year, as all renewals will then be made by the issuance of licenses and permits for periods of one year.

Liquor licenses.—The collections from the issue and transfer of the various classes of municipal liquor licenses during the year amounted to ₱162,329.50, as compared with ₱163,178.50 during the fiscal year 1907; a decrease of ₱849.

The following statement shows the number of each class of municipal liquor licenses in force on June 30, 1908, and a comparison with those on the same date last year:

Class.	Total.	Total in force June 30, 1907.
Bar license:		
First class	36	37
Second class	34	37
Restaurant liquor license:		
First class	13	15
Second class	10	11
Hotel liquor license:		
First class	2	2
Second class		
Theater license	1	1
Wholesale liquor license:		
First class	24	38
Second class	2	4
Third class	3	4
Grocery liquor license	75	73
Distiller's license	7	8
Druggist's license	4	4
Brewer's license	1	1
Native wine license	1,301	1,319
Total	1,329	1,554

As will be seen from the above statement there were on June 30, 1908, 25 less licensed liquor establishments in Manila than on the same date of the previous year. On June 30, 1905, there were 113 licensed bars in Manila, as compared with 70 on June 30, 1908; a reduction of 43 in 3 years.

There are also 21 clubs licensed to sell liquors to members, as compared with 10 on the same date last year.

Public vehicle licenses.—The receipts from the issue and transfer of public vehicle licenses during the year amounted to ₱14,340, as compared with ₱14,518.70 during the fiscal year 1907. Efforts have been made, and with some success, to improve the class of public vehicles.

The total number of licensed vehicles at the close of the fiscal year was 3,156, as compared with 3,005 the previous year.

Of the 3,156 licenses in force at the close of the fiscal year, 2,432 were for public carriages and 724 for public carts and wagons.

Under the classification of business licenses there were in force on June 30, 1908, 29 licenses to conduct livery stables, with an aggregate of 240 vehicles, making the total number of vehicles licensed for passenger traffic in Manila on June 30, 1908, 2,672.

Dog licenses.—The collections from this source during the year amounted to ₱6,250.05, as compared with ₱5,827.11 during the fiscal year 1907.

There were 1,701 dog licenses issued during the year, as compared with 1,338 during the preceding. These licenses are all issued to expire on December 31 following date of issue, and license fees corresponding to the fractional part of the year for which issued are collected; hence the apparent discrepancy between the increase in licenses issued and increase in amount collected.

Peddlers and other itinerants' licenses.—The collections from this source during the year amounted to ₱9,063, as compared with ₱5,956.50 during the fiscal year 1907, an increase of ₱3,106.50, due to the higher license fees provided for by ordinance No. 93. These licenses are issued for periods of 3 months, and as the increased license fees were in effect during the entire fiscal year 1908, as compared with only 3 months during the previous year, an increase in collections was to be expected. During the year there were issued 3,007 peddlers' and 3 jugglers' licenses, which, together with a few transfer fees and fees for duplicate licenses, accounts for the total collection stated above.

Public entertainment licenses.—Under this head are included only licenses for race meetings and for dance halls, each of which requires a license for each day an entertainment is given. Theater licenses issued for periods of one year are classified as business licenses.

The ₱10 license for each race meeting produced during the year ₱270, as compared with ₱570 during the fiscal year 1907, a decrease of ₱300, due to the restriction placed upon the holding of race meetings by the provisions of Act No. 1537, Philippine Commission. The total amount collected under this head amounted to ₱9,601, as compared with ₱2,784 during the previous year, an increase of ₱6,817, due to the fact that the ordinance imposing the daily license tax upon dance halls was in force only 3 months during the fiscal year 1907.

Vehicle equipment.—Owing to the fact that the various articles of equipment required for public vehicles were purchased more cheaply, the price of licenses therefor was reduced in January, 1908, from ₱1.50 to ₱0.80 for a complete equipment. Notwithstanding this reduction, there were collected ₱1,439.10, as compared with ₱1,215.80 during the fiscal year 1907.

Recapitulation.—A recapitulation of collections on municipal licenses during the fiscal year ended June 30, 1908, and a comparison of the same with collections for the year ended June 30, 1907, follows:

Class of license.	Year.		Increase.	Decrease.
	1907.	1908.		
Liquor.....	₱163,178.50	₱162,829.50	.....	₱349.00
Business.....	25,085.59	22,949.01	.....	2,136.58
Dog.....	5,827.11	6,250.05	₱422.94	.....
Peddler.....	5,956.50	9,063.00	3,106.50	.....
Entertainment.....	2,784.09	9,601.00	6,817.00	.....
Vehicles.....	14,518.70	14,340.00	.....	178.70
Vehicle equipment.....	1,215.80	1,439.10	223.30	.....
Total.....	218,066.20	225,971.66	11,069.74	8,164.28
Net increase.....	.....	.....	7,906.46	.....

REGISTRATION OF LIVE STOCK.

During the fiscal year the collections from this source amounted to ₱722.30, as compared with ₱771.40 during the preceding year. There were registered 2,357 animals, at a fee of ₱0.20 each, and 2,509 transfers of ownership were recorded, at a fee of ₱0.10 each, as compared with 2,484 registrations and 2,746 transfers during the fiscal year 1907.

The present system is a most unsatisfactory one for several reasons, chief among which are: That the certificate issued is only a description of the animal, containing nothing by which the holder could prove ownership, although in adjoining provinces, among people ignorant of its real value, it is used as proof of ownership by cattle thieves in disposing of stolen animals; and in that the fees that may be charged are not sufficient to cover the cost of issuing the certificates.

Recommendations made by the city assessor and collector for the improvement of the registration law have been adopted by the board and an ordinance is now being prepared under the provisions of section 37 of Act No. 1147 to accomplish said purpose.

RENTALS OF CITY PROPERTY.

There have been collected as rentals for the use of city property ₱22,356.03, as compared with ₱19,950.32 during the fiscal year 1907, an increase of ₱2,405.71.

On June 30, 1908, there were 122 tenants, of which 82 were occupying parts of the public streets, parks, etc.

SALES OF CITY LANDS.

During the fiscal year 6 pieces of city land were sold, for which full payments were made, amounting to ₱19,881.24. Deferred payments amounting to ₱4,280 were made on properties sold during the fiscal year 1907, making the total collection under this head ₱24,161.24, as compared with ₱18,397.63 during the preceding year.

WEIGHTS AND MEASURES.

The weights and measures law, Act No. 1519, Philippine Commission, has been in operation in the city of Manila during the entire fiscal year 1908, as compared with only four months during the fiscal year 1907. There were issued during the year 4,057 licenses, covering the testing and sealing of 21,334 scales, measures, etc., for which service fees amounting to ₱8,317.25 were collected. This is an increase of about ₱2,000 over the average yearly collection under the municipal ordinance on this subject in force prior to January 1, 1907.

The collections under this head are also shown under internal-revenue dividends.

PAID-CONSERVANCY SYSTEM, WATER RENTS, BUILDING PERMITS, BOILER INSPECTION, AND VAULT CLEANING.

The receipts from these sources during the year were as follows:

Pail system.....	₱58,168.03
Vault cleaning.....	21,538.00
Building permits.....	14,994.87
Water rents.....	234,748.23
Boiler-inspection fees.....	664.00

Of the above collections increases are shown, as compared with the fiscal year 1907, in collections on account of pail system, ₱9,659.77, and on account of water rents, ₱13,560.25; while losses are shown in vault cleaning, ₱17,661; building permits, ₱319.60; and boiler-inspection fees, ₱548. The large decrease in collections on account of vault cleaning was due to the fact that a large number of delinquent accounts were collected during the fiscal year 1907.

FEES, FINES, COSTS, ETC.

The amounts received from these sources during the year were as follows:

Municipal-court collections.....	₱55,045.37
Sheriff's fees.....	12,473.95
Justice of peace fines and fees.....	5,196.60
Pound receipts.....	5,261.27
City electrician's fees.....	6,656.15
Cementerio del Norte.....	12,349.08
Secretary of the municipal board fees.....	45.50
Rent of niches.....	9,748.60
Burial permits.....	4,790.10
Total	111,566.62

A net increase of ₱1,148.48 is shown in the total collections under this head as compared with the fiscal year 1907.

TRANSPORTATION OF MEAT.

Receipts under this head are for services rendered by the city for delivering meat from the slaughterhouse to the various markets in the city, at the rate of ₱0.07 per quarter. There have been collected ₱10,542.84, as compared with ₱8,995.16 during the fiscal year 1907.

INTERNAL-REVENUE DIVIDENDS.

This source of revenue to the city of Manila during the year comprised (1) the ordinary cedula tax collected in the city; (2) the entire receipts for internal-revenue licenses issued for the maintenance in Manila of theaters, cockpits, museums, concert halls, pawnbrokers, circuses, and billiard rooms; (3) Manila's share in proportion to its population of the 30 per cent (only 25 per cent up to August 19, 1907) of the revenue apportioned under the provisions of the internal-revenue law for use of provincial and municipal governments; (4) the entire receipts from the sale of certificates to habitual users of opium in Manila; (5) the entire receipts collected as fees for the testing and sealing of weights and measures in Manila; and (6) the road and bridge fund, consisting of the additional cedula tax imposed for this purpose, and Manila's share of the 10 per cent of the revenues apportioned for the use of provinces that adopted the provisions of Act No. 1652, Philippine Commission.

The last item did not constitute a part of the dividends during the fiscal year 1907.

The following is an itemized statement of the revenues from this source during the fiscal year 1908:

Regular cedula tax.....	₱110,023.00
Receipts from certain license taxes.....	10,797.50
Manila's share of the 30 per cent apportionment.....	128,897.03
Receipts from sale of opium certificates.....	10,155.50
Weights and measures fees.....	12,562.80
Road and bridge fund:	
Additional cedula tax.....	52,234.00
Manila's share of the 10 per cent apportionment.....	6,442.64
Total.....	331,112.47

A comparison with revenues from this source during the fiscal year 1907 would be of no value, as the dividends are not all received during the year to which they pertain, nor have they been received with any degree of regularity.

FRANCHISE TAX.

By the provisions of its charter the Manila Electric Railroad and Light Company pays to the city of Manila 2½ per cent of its gross earnings from fares collected and from tickets and electric light and power sold. In consideration of the payment of this franchise tax the company is exempted from the payment of all others except the real-estate tax. The collections from this source during the fiscal year amounted to ₱47,208.23, as compared with ₱40,861.54 during the fiscal year 1907 and ₱28,662.85 during the fiscal year 1906.

In addition to the above, section 5 of Act No. 1368, granting a franchise for telegraph and telephone systems, provides for the payment to the insular treasurer of a gross earning tax of 2 per cent in lieu of all taxes on the franchise or earnings thereunder. Although the city has not profited by this provision as yet, it has an unquestionable right to said tax as applied to gross earnings of the Philippine Islands Telephone and Telegraph Company earned within the limits of the city of Manila, and is so conceded by the insular auditor, and the amount paid by said company will in due time be transferred to the credit of the city.

MISCELLANEOUS COLLECTIONS.

The following collections, not pertaining to any of the above heads, were made during the year:

Estates of deceased persons.....	₱2,034.68
Fines imposed by courts of first instance for violations of city ordinances.....	184.00
Sale of sacks by the department of sanitation and transportation....	585.00
Total	2,803.68

TOTAL COLLECTIONS.

The total collection of city taxes, fees, charges, etc., amounted to ₱2,850,318.03, as compared with ₱2,590,254.30 during the fiscal year 1907 and ₱2,465,780.40 during the fiscal year 1906, an increase over the fiscal year 1907 of ₱269,063.73.

The payment of internal-revenue dividends which accrued in 1906 and were held back by the auditor until April, 1908, accounts for nearly 30 per cent of the increase shown above.

PUBLIC MARKETS

There were mentioned in the last annual report certain measures adopted by the municipal board in the matter of assignment of stands in Divisoria Market; the disposition on the part of certain vendors to oppose these measures by petitions and strikes; the assignment of the cleaning of market buildings to the department of sanitation and transportation; and the establishment of certain changes in the administration of the Quinta Market.

The question of the food supply of the inhabitants of a city is always an important one and deserves close and careful study from many points of view, some of which pertain to the proper inspection of food, so that no diseased, unsound, or unfit food is sold and consumed; the manner of handling and exposing food for sale; adequate and clean market buildings and fixtures; a proper and just system of assignment of space and privileges of vendors, whereby all dealers or producers of food supplies can have ready access to the public to market their wares; and a proper supervision and control of the marketing of food supplies in so much as can be done to prevent the fostering of special privileges and the building up of monopolies in the sale of certain food supplies.

The welfare of the people in any community demands that they should be protected from dealers of unwholesome food, should not pay unusual or exorbitant prices for food, and should be able to procure their food supplies within the limits of their own community.

There are 9 public markets in Manila, and these are very well distributed among the various districts.

In instituting reform measures along certain radical lines the municipal board deemed it wise to apply these to only one market at a time and chose the Quinta Market as the one most available for a first trial along these lines.

Taking the former basis of ₱0.01 per square foot of floor space per diem as the basis for stall space, it was so arranged that there were 1,440 stalls of 15 square feet floor space each placed in this market. The tables were so arranged that plenty of room was left in the aisles for purchasers.

The tariff rate for all stands was fixed at ₱0.15 each per diem and no one vendor was permitted to occupy more than 4 stalls.

The market was freed from all inclosures and contrivances in which unsuitable food or filth might be hidden from view and concealed; the vendors of the same class of goods were assigned to certain sections of the market and were required to expose all food supplies on tables or pans and not on the floor;

drains and receptacles were provided for refuse; the market was well lighted; suitable tables, pans, racks, etc., were installed; and the premises, tables, utensils, etc., kept in a clean and sanitary condition.

Wares not properly classified as food supplies were excluded from the market.

The venders were required to exhibit receipts for tariff in a clip attached to the stall number, everyone being given a number, and daily reports of the number of assigned and unassigned stalls were submitted to the auditor for a check on the revenues.

Venders were given the privilege of retaining their respective stalls by complying with certain market regulations, but all unassigned stall space was accessible to the first applicant, and all previously assigned space which had been vacated was assigned by means of special assignment, when the circumstances made this procedure advisable.

There can be no question but what these reform measures were a decided improvement from every standpoint. The sanitary conditions were greatly improved, the system of assignment was fair and just to all, the accounting for tariff collected was made systematic, and the market collections exceeded the previous year's collections by ₱15,664.40, or about 27 per cent, notwithstanding the fact that none of the space outside the market inclosure was assigned, as was the previous custom.

The form of assignment ticket and collector's receipt for tariff first adopted by the municipal board being not satisfactory to the city assessor and collector, was finally adjusted and the manner of assignment of venders and collection of fees modified in accordance with the recommendations of a committee appointed by the governor-general.

An ordinance for the proper regulation and establishment of public markets in the city of Manila was passed on April 30, 1908, and as the provisions of this ordinance embodied those features of market administration instituted in Quinta Market, it was made to apply to only that one market at the time of its passage.

On June 1, the Sampaloc Market having been enlarged by the construction of a new shed and the space having been arranged along the same lines as was done in Quinta Market, the market ordinance was made to apply to this as well as to Quinta Market.

In view of the success in the Quinta and Sampaloc markets, the municipal board decided that the same measures should be adopted in Divisoria Market, and passed a resolution on April 23, 1908, that shed "C" of Divisoria Market should be vacated and rearranged along the same general plans instituted in Quinta and Sampaloc markets, this to take effect July 1, 1908.

CITY SCHOOLS.

Statement of expenses of this department during the fiscal years 1906, 1907, and 1908.

	1906	1907	1908
Salaries and wages	₱ 255,331.40	₱ 255,301.00	₱ 261,831.18
Contingent expenses	16,042.00	11,115.50	60,267.74
Total	271,373.40	266,416.50	322,098.92

Section 29 of the Manila charter sets apart 35 per cent of the total collection of the tax on real property for defraying the expenses of the city public schools.

OFFICE PERSONNEL

The office force of the department of city schools consists of 1 superintendent of city schools, 1 clerk class II, and 1 clerk class I.

There are 324 teachers and superintendents in Manila, of which number 262 are Filipinos and 62 Americans. Of these teachers, 261 are paid by the city, as shown in the following table, and the remaining 63 and the superintendent by the insular government.

Number of teachers employed and monthly salaries paid June 30, 1908.

Name of school.	Salaries per month.											Total.
	P25	P40	P40	P50	P60	P70	P80	P90	P100	P110	P120	
American				1								1
Chinese					1							1
Concepcion	2	1		1	2					1		7
Ermita	2	2	1		1	2		1				9
Gagalangin		2				1	1					4
Intramuros	1	3			2	5	1		1			13
Malate	2	8		3	1	4	8			1		17
Meisic	1	14	1	4	10	10	2	1	1		1	45
Meisic Intermediate		2		1				1				4
Paco	2	5		2	1	2		1				13
Paco Intermediate				2								2
Pandacan	1	2	1		4	1			1			10
Peñafrancia				1	1	1		1				3
Quiapo	2	8		1	1	1	1					8
Sampaloc	2	7		2	3	8	2				1	20
Sampaloc Intermediate					1	1				1		3
San Lazaro	1	4				1						6
San Miguel		2			1	2		1				6
San Nicolas	1	9		3	3	4					1	20
Santa Ana	1	3				2	2					8
Santa Cruz	1				2	4	1	1		1		10
Santa Mesa	1	3	1	1	3	4	1		1			15
Singalong	2	1			3	2	1	1				10
Tondo		4	1				2	1				8
Trozo	2	9	1		2	2	1		1			18
Total	28	79	6	21	41	52	18	9	5	4	3	261

* Temporary teachers.

Buildings, locations, and rental paid.

Name of building.	Location.	Monthly rental.
American	417 Calle Nozalea	P500.00
Chinese	72 Calle Asuncion	(e)
Concepcion	14 Calle San Marcelino	100.00
Ermita	118 Calle Real	120.00
Gagalangin	380 Calle Gagalangin	(e)
Intramuros	205 Calle Real	200.00
Malate	417 Piazza de Malate	(e)
Manila High School	172 Calle Victoria	(e)
Meisic	3 Calle Meisic	(e)
Meisic Intermediate	1-2 Calle Meisic	(e)
Paco	31 Calle Vives (Interior)	180.00
Paco Intermediate	269 Calle Herran	160.00
Pandacan	9 Calle Sementera	80.00
Peñafrancia	25 Calle Peñafrancia	60.00
Quiapo	28 Calle Concepcion	150.00
Sampaloc	89 Calle Alix	300.00
Sampaloc Intermediate	4 Calle Alejandro	180.00
San Lazaro	685 Calle Cervantes	80.00
San Miguel	129 Calle San Rafael	180.00
San Nicolas	50 Calle San Fernando	(e)
Santa Ana	42 Calle Santa Maria	100.00
Santa Cruz	97 Calle Dolores	150.00
Santa Mesa	435 Calle Santa Mesa	200.00
Singalong (boys)	146 Calle Singalong	40.00
Singalong (girls)	147 Calle Singalong	40.00
Trozo	222 Calle Diaz	175.00
Tondo	99 Calle P. Herrera	100.00

* Owned by the government.

School enrollment during the month of June, 1902 to 1908.

1902	2,244
1903	3,046
1904	5,767
1905	7,803
1906	8,311
1907	8,436
1908	9,168

SCHOOL DISTRICTS.

District No. 1: Santa Ana, Paco, Peñafrancia, Pandacan, Santamesa, Sampa-loc. District No. 2: Singalong, Malate, Ermita, Concepción, Intramuros. District No. 3: San Miguel, Quilapo, Santa Cruz, San Lazaro, Trozo. District No. 4: San Nicolas, Chinese, Melsic, Tondo, Gagalanging.

SCHOOL WORKS.

As to the nature and grade of instruction acquired by the public school pupils, the superintendent of schools reports as follows:

Course of study.—Primary: The present primary course of four years is fairly satisfactory and its requirements are being followed with reasonable accuracy. It is found to constitute a pronounced improvement over the former primary course of three years. The industrial features of this course are receiving greatest emphasis and the only indicated weakness in the course in this connection is that it does not provide enough time per day for industrial work. This difficulty has, however, been to a certain extent overcome by the arrangement of special industrial classes to operate during the afternoon and outside the regular session provided by the course of study. It is also found that there exists among pupils and teachers a tendency which indicates that by the addition of another year to the present primary course the best interests of the school and the community would be served.

Intermediate: It is believed that the present intermediate course of study could be somewhat modified and with benefit to the service. The points involved would properly require more extensive discussion than would be proper in this report. It is suggested that the matter receive consideration by the bureau.

High school: The course of study in the Manila High School appears to be operating in a satisfactory manner in that the results produced reach a satisfactory standard. It is believed, however, that this fact is due in the greater part to the excellent management of the school and the high grade of service rendered by the faculty. It is felt that this course of study is still in the experimental stage and might be materially improved and rendered more definite by proper action looking toward its revision.

Industrial work.—Handicrafts: Careful instruction, including all pupils in primary grades, is given in simple wood carving; furniture repairing; simple fiber work, including the construction of baskets, mats, fans, picture frames, etc.; hat weaving, including sabutan, buntal, balangut, burl, and bamboo; needlework, including everything from elementary plain sewing to the most difficult class of embroidery and drawn work; Indian lace, all classes; bead-work, belts, neck chains, fobs, etc.; fish nets; hammocks; and weaving cloth, towels, and blankets.

School gardening and agriculture: The lack of proper ground space has made it impracticable to attempt anything along this line of particular value. In the scientific department of the high school certain features of the work have an agricultural tendency. In some of the primary and intermediate schools where conditions permit, school gardens of a somewhat indefinite character are maintained. It is found in general that the tendencies of the city are such as to justify the belief that the industrial effort of the pupils can be more profitably directed to other lines.

Domestic science: The regular work of domestic science, conducted in the domestic-science school at Melsic and including 127 girls of advanced grade, is satisfactory. This work aims at the correction of certain defects in living conditions of the people. The work is being intelligently and faithfully carried on, but will, however, require several years to demonstrate its real value.

A departure which might be included under domestic science, and the benefits of which are immediate and pronounced, has to do with the selection, purchase, preparation, and distribution of food, serving as a morning lunch, to all primary pupils and to those of at least one of the intermediate schools. The proposition is reduced to the simplest form consistent with proper service. The work is all performed by pupils under the direction of teachers and supervisors and is so arranged as to bring every pupil in active contact with each of the details.

The physical condition as indicated in the report of the medical inspector has improved materially. The maximum of protection against disease is provided and the pupils acquire a practical working knowledge of the business features of providing food, which was formerly possessed by a very small percentage of

the people. In addition to this, a rather substantial saving is effected, all of which is placed on deposit in the postal savings bank to the credit of the school.

REMARKS.

Prior to terminating this report it may be well to state that the work of constructing the Tondo Intermediate School will shortly begin, that it will be a building well suited to its purpose, and that it will occupy a block bounded by the following streets: Morga, Lorenzo Chacon, Melchor Cano, and Sande. This building will cost about ₱100,000, of which ₱50,000 were donated by the insular government. This does not include the value of the land, which has an area of 7,521 square meters, its value being ₱16,000.

In this manner, and according to its resources, the city will meet the necessity for suitable and adequate buildings for public schools.

The leased buildings now occupied by the schools, in addition to their heavy cost, as may be seen by reference to above statement, are not at all suited to their purposes.

DEPARTMENT OF SEWER AND WATERWORKS CONSTRUCTION.

The following tables give an exact idea of the progress of the work and payments made to the contractors for the sewers and waterworks construction up to June 30, 1908:

Sewerage system.

Contractor.	Work done.	Amount of bid.	Payments.		Total expended.	Balance.
			1907.	1908.		
Atlantic, Gulf and Pacific Co.	85 per cent completed (42 miles).	₱1,631,063.20	₱525,391.20	₱625,768.24	₱1,151,159.44	₱479,840.56

To be completed June 30, 1909.

Water supply.

Item.	To whom awarded.	Day of completion.	Amount of bid.	1907.	
				Work done.	Payment.
Construction of dam.	Matson, Lord & Belser	July 1, 1909	₱241,510.25	<i>Per cent.</i> 20	₱35,247.00
Steel plates..	H. W. Peabody & Co	Complete....	101,000.00	95	99,900.31
Tunnel	Atlantic, Gulf and Pacific Co.	Nov. 1, 1908	179,987.50	75	124,000.00
Steel pipe.....	do	do	281,935.00	67	188,000.00
Reservoir.....	Matson, Lord & Belser	do	222,477.70	67	95,000.00

Item.	To whom awarded.	1908.		Total payments.	Balance.
		Work done.	Payment.		
Construction of dam.	Matson, Lord & Belser	<i>Per cent.</i> 30	₱36,715.70	₱71,962.70	₱189,547.55
Steel plates..	H. W. Peabody & Co	5	1,099.69	101,000.00	.....
Tunnel	Atlantic, Gulf and Pacific Co	20	80,267.26	204,267.26	35,000.00
Steel pipe.....	do	28	105,890.18	243,899.18	33,574.87
Reservoir.....	Matson, Lord & Belser	28	91,288.22	186,288.22	36,189.48

Statement of expenditures compared with the income and estimate of outlay.

INCOME.

Amount of loan-----	P4,000,000
Premium at the rate of \$95,625 per million-----	382,500
Total-----	4,382,500

OUTLAY.

Item.	Estimated outlay.	Expended 1907.	Expended 1908.	Total expended.	Balance.
Amount of contract for water system?					
Part I.....	P1,025,000.00	P417,279.87	P386,978.75	P804,258.62	P220,741.38
Part II.....	165,000.00				165,000.00
Part III.....	400,000.00	823.72	1,710.97	2,584.69	397,465.31
Amount of contract for sewer system:					
Part I.....	1,631,000.00	525,891.20	625,768.24	1,151,159.44	479,840.56
Part II.....	150,000.00		3,400.00	3,400.00	146,600.00
Contingent funds.....	150,000.00	37,143.71	27,829.18	64,972.89	85,027.11
Customs duties.....	100,000.00	32,828.08	9,079.54	41,907.62	58,092.38
Cost of inspection and supervision.....	150,000.00	43,586.35	64,128.70	107,715.05	42,284.95
Expended to June 30, 1908.....	298,920.38			298,920.38	
Total	4,069,920.38	1,067,062.88	1,118,885.38	2,474,868.64	1,595,061.74

STORM-WATER DRAINS.

This department is in charge of the establishment of a system of canalization, through which the storm water will run into the sewers (other than those of the sanitary sewers), which in turn will empty it into the esteros or into the Pasig River.

The preparation of a scheme of grades on every street in the city has been completed during the year, and the grades were approved by the municipal board.

The existing drains as far as it is practicable are to be utilized in the completed system, the general design for the entire city being practically completed and will be presented for approval to the municipal board.

DISTRIBUTION SYSTEM.

The plans for the distribution system have been completed, and nearly all the pipes of the existing system are utilized in the new system.

The present system comprises about 55 miles of various sizes of pipe, and the new system, when completed, will total 103 miles.

Aside from the pipe already purchased and on hand, it will be necessary to purchase about 30 miles of various sizes of pipe, which will weigh approximately 8,000 tons. It is not intended to lay all at one time, but only so much as will give full and satisfactory use of the new gravity water supply.

During the year about 1 mile of pipe has been laid by this department; the actual work being done by the water supply, and the bills paid by this department.

DEPARTMENT OF SANITATION AND TRANSPORTATION.

This department is charged with street sprinkling and flushing; street sweeping and gutter cleaning; the collection and disposal of garbage, house refuse, and dead animals; the filling of lowlands; the collection and disposal of night soil and public closets; the administration of the city pound; the sanitary care of markets and slaughterhouses; the transportation of meat; the care and administration of cemeteries; the maintenance and development of parks, tree and plant nursery; the care of city walls; the improvement of public grounds; the administration of all land transportation of the city and the service of this character to the insular government.

The funds available for the performing of all this work were as follows:

Appropriated by Act No. 1706.....	₱61,595.00
Collections deposited to the credit of the department.....	817,221.87
Total	878,816.87
Total expenditures	871,431.20

The following is a summary of these expenditures in detail as stated in the report of the superintendent of the department:*

STREET SPRINKLING AND FLUSHING.

During the year the streets were sprinkled two hundred and eighty-nine days. The cost for labor, hose, supplies, repairs, etc., amounted to ₱16,759.92, and that for sprinkling wagons, ₱35,712.09.

This expense does not include the cost of city water used for sprinkling, since this department is not charged for the water used for this service, the same being borne by the office of water supply and sewers.

No receipts accrue to this department for this service, the expense being paid from the current appropriation.

STREET SWEEPING AND GUTTER CLEANING.

The streets were patrolled at regular intervals daily by laborers provided with brooms, shovels, and handcarts, the sweepings being collected in the handcarts and taken directly to sites where this material was used for filling, or transferred to dump carts for long-distance hauling.

Aside from the patrol force a special detail of laborers was assigned to the cross walks to see that these were kept clean and passable at all hours of the day; another to keep the dumping grounds, where the sweepings were used for filling, in proper shape; another to the work of flushing and disinfecting dirty street canals; and still another to the work of scraping and removing any accumulations of earth, grass, etc., from the street gutters. About 85,000 linear meters of canals were flushed and about 278,000 linear meters of gutters cleaned during the year.

The expense for labor, supplies, repairs, and transportation amounted to ₱59,467.85.

COLLECTION AND DISPOSAL OF GARBAGE, HOUSE REFUSE, AND DEAD ANIMALS.

Most of the work connected with this service was performed between 9 p. m. and 6 a. m. The garbage and refuse from dwellings, factories, shops, stables, etc., were collected by carts which passed from door to door picking up the garbage or refuse placed out in receptacles provided by the householder. To facilitate this service the regulations require that separate receptacles be provided for garbage and refuse. The material suitable for the purpose was taken to the sites where it could be used for filling low land, and the garbage, slops, and organic matter taken to the crematory and burned.

The cost for labor, supplies, and repairs for this service amounted to ₱21,381.93, and for transportation to ₱62,094.

Two crematories were operated during the year, but only one was in use at any time, the Palomar being used the greater part of the year and the Paco only when the other was closed for repairs.

The cost of operating the crematories amounted to ₱9,428.24, of which ₱711.94 were for rent, ₱1,045.50 for fuel, ₱3,006.75 for labor, ₱103.53 for supplies, and ₱4,560.52 for repairs.

The total cost for the collection and disposal of garbage and refuse was ₱96,385.52.

This expense was paid from the current appropriation, no receipts accruing to the department for this service. However, during the year an agreement was made with private parties whereby the dead animals collected by the city were to be utilized for manufacturing trade products, and the expense for this service to be reimbursed to the city. This agreement will be operative during the fiscal year 1909.

* Omitted and filed in the Bureau of Insular Affairs, War Department.

FILLING OF LOW LAND.

Aside from a large number of small sites where the sweepings collected in hand carts were dumped advantageously, the refuse collected by the street sweepers and house refuse force was utilized in filling on several large tracts of city property.

A large portion of the area lying between the city hall and Calle Carlos IV was filled and covered with earth; extensive filling was made at Cementerio del Norte, both in the nursery and cemetery proper; low portions of the site known as "Camp Wallace field" were raised; and a great portion of the New Luneta site was raised to its established grade.

The cost of this filling was for the most part borne by the current appropriation. However, the expense incident to the making of roadways and covering this material at the New Luneta site was paid from special funds and was carried on in connection with the improvements made in parking the glacia and moat around the city walls, which will be mentioned later under parks.

For transportation ₱28,653 were expended in making these fills.

COLLECTION AND DISPOSAL OF NIGHT SOIL AND PUBLIC CLOSETS.

In Manila night soil is collected by the odorless excavators from vaults and cesspools and by the pall-conservancy system from premises where no other closet arrangements are installed.

The collections are carried to sea in tanks on the steam barge *Pluto*, and to protect the water supply of the city the pall-conservancy system has been established in the Mariquina Valley.

The completion of the sewers now being laid will gradually diminish the work of collecting night soil in Manila, and the new water-supply system, when completed, will eliminate the expense the city bears in maintaining the service in Mariquina.

In connection with the services mentioned the department has carried on the work incident to the maintenance of the public-closet services.

The following is a summary of the work performed:

	Palls cleaned.	Odorless ex- cavator loads removed from vaults.
Private premises.....	641,637	2,876
Public buildings.....	62,129	1,478
Public closets.....	413,562	.....
Military buildings.....	19,210	136
Mariquina.....	54,770	.....
Total.....	1,191,306	4,490

The expenses for the year were as follows:

Odorless-excavator service:

Labor.....	₱7,951.60
Expense for collecting fees.....	1,500.00
Equipment.....	3,969.70
Supplies.....	40.00
Repairs.....	493.31
Transportation.....	8,491.50

Public-closet service:

Labor.....	9,296.15
Rent.....	27.07
Erection of buildings.....	1,750.36
Maintenance of buildings.....	912.55

Pluto:

Labor.....	11,563.20
Lighting.....	352.80
Supplies.....	143.95
Water.....	169.56
Fuel.....	8,491.50
Repairs.....	936.69

Manila pail service:

Labor	₱42,176.26
Lighting	102.91
Supplies	1,832.98
Telephone service	36.00
Expense for collecting fees	2,500.00
Disinfectants	999.87
Equipment	8,322.31
Repairs	1,585.86
Transportation	25,237.87

Mariquina pail service:

Labor	2,457.30
Rents	438.00
Supplies	34.53
Equipment	246.14

The collections for work rendered private parties, firms, insular bureaus, and the military authorities amounted to ₱90,571.46.

The balance of the expense, which consisted of the service rendered for city offices and buildings and the public closets, was borne by this department and paid from the current appropriation.

CITY POUND.

There were impounded at the city pound 3,317 animals, of which 924 were redeemed.

From impounding fees and from the sale of unclaimed animals there were received ₱5,255.27, and the expenses were ₱4,401.09.

MARKETS.

The sanitary care of the 9 public markets in the city was a part of the work of this department. The administration of Quinta Market during the entire year and of Sampaloc Market during the month of June was assigned to this department.

The market expenses amounted to ₱64,577.59.

The collections from markets amounted to ₱284,551.95, an increase of ₱45,840.49 over those of the previous year.

SLAUGHTERHOUSE AND TRANSPORTATION OF MEAT.

The expenses, amounting to ₱23,533.53, incident to the public slaughterhouse, otherwise known as the "Matadero," were paid by this department.

The receipts from slaughterhouse fees amounted to ₱176,872.02, and from fees for transportation of meat to ₱10,542.84.

CEMETERIES.

During the year 371 interments were made in Paco Cemetery and 5,622 interments in Cementerio del Norte.

The expenses incurred amounted to ₱45,268.73.

Collections for burial fees, rent of niches, and sale of lots and graves amounted to ₱26,882.78.

PARKS, TREE AND PLANT NURSERY, CARE OF CITY WALLS, AND IMPROVEMENT OF PUBLIC GROUNDS.

Maintenance of the parks was included in the operations of this department, and for this purpose there were expended during the year ₱61,674.59.

The above includes the cost of the tree and plant nursery at the lower end of Cementerio del Norte, which is in a very flourishing condition. Several thousand young trees of suitable variety and fair size are on hand ready for transplanting this coming year.

In addition to the young trees, there are numerous varieties of young palms, bedding plants, shrubbery, vines, etc., which will be found very useful in beautifying the parks and public grounds in the city.

A detail from the park force was placed at work on the city walls for the purpose of removing the rank growth of grass and weeds, which were unsightly and a source of annoyance as a breeding place for insects, and such bushes and

trees as tended by their growth to break up and destroy the stonework on these structures. In this work it was made an object to retain sufficient plant growth, such as vines and small trees, so that the walls would not be entirely bare, and in places there was substituted for the rank grass a species of hedge plant which can be easily trimmed and will flower during certain seasons of the year.

While no great amount of work was done at any one time on the Bagumbayan field, still this public ground has been materially improved during the year.

Extensive filling and grading was done on the New Luneta site. This was all preparatory work and its value can not be appreciated until the work has advanced to that stage when the grounds can be laid out in walks and lawns.

Work on the glacis and filled moats around the city walls was in progress during the period from January to June.

The general idea embodied in the Burnham plan was followed in carrying on this work, and while very little has reached the completed stage, there has been enough done to show that the parking scheme as outlined will, by converting the present waste area into sunken panels of green lawns, greatly enhance the beauty and grandeur of the city walls and make this one of the most attractive parks in the city.

The material removed in making this improvement was most of it used in surfacing the fill on the New Luneta site. By using city refuse gathered by garbage carts for filling and covering this with the excess earth on the glacis gives a convenient place for disposing of the refuse and a short haul for soil removed from the glacis, and the whole work can be carried on at a less cost than would be required if only one portion of the work was done at a time.

For supplies, labor, and transportation employed on the New Luneta fill there was used from funds especially appropriated the sum of ₱10,000.

For labor and transportation on the moat and glacis there were used a little less than ₱13,000.

Work on the public grounds around the bureau of science buildings, for which the city was reimbursed, cost ₱395.70.

LAND TRANSPORTATION.

The expenses incurred in connection with the land transportation operated by this department amounted to ₱478,808.38, and the collections to ₱229,957.28.

The transportation tariff rates being somewhat less than the actual expenses, a new schedule was prepared, in which the charges were increased about 11 per cent, this new tariff not being effective until July 1, 1908.

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